CANADIAN HOUSING OBSERVER 2005

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A Message from Karen Kinsley, President of Canada Mortgage and Housing Corporation

I am pleased to present the 2005 edition of the *Canadian Housing Observer*. The *Observer* brings together a wide spectrum of housing information to present an integrated overview of the state of Canada's housing along with the key trends and influences. Since its debut in 2003, the *Observer* has become a valuable resource for a broad range of professionals and organizations with an interest in Canada's housing.

There is no doubt that housing matters to Canadians in many ways and for many reasons. More than bricks and mortar—our homes are where we put down roots and build our dreams. Our homes are a source of comfort and stability during life's ups and downs. They provide the stable foundation on which positive outcomes can be achieved for our families and communities in areas as diverse as health, education, employment and economic well-being.

As a generator of jobs and wealth creation, the housing sector adds significant value to the Canadian economy. Expenditures on new construction and renovation, which have reached record levels in recent years, continue to bolster economic growth while creating the homes and communities that underpin our well-being as a nation.

As a major consumer of land, energy and raw materials, the choices we make as housing consumers have broader implications for the environment. As practical solutions are sought to the challenges associated with climate change, the creation of "greener" homes and sustainable communities is becoming a focus for innovation in Canada. Alongside environmental considerations is the recognition of the need to create socially-inclusive communities to accommodate Canada's diverse population.

As with previous issues, the 2005 *Canadian Housing Observer* reviews demographic and socio-economic influences on housing demand, current housing market developments, housing finance trends and housing affordability.

This year's edition of the Observer contains a special feature on ***Aboriginal housing***, which describes housing conditions and some of the housing challenges currently confronting Aboriginal people. This feature also explores some of the innovative ways that Aboriginal communities are seeking to improve their housing in ways that respect local conditions, the environment and lifestyle and cultural considerations.

A second topic examined in greater depth this year is ***Healthy housing and sustainable communities***. This chapter reviews how properly planned and built housing and residential communities can "give back" to the environment and enhance our quality of life.

Most Canadians are well housed, thanks to Canada's housing system. For many, investing in their own home builds financial security for old age. Too many Canadians, however, cannot afford appropriate, decent housing.

That's why Canada Mortgage and Housing Corporation (CMHC) works to make safe, adequate and affordable homes a reality for *all* Canadians. As Canada's national housing agency, our mission is to promote housing quality, affordability and choice. We are committed to ensuring that housing is durable, energy efficient and suited to the needs of Canadians.

We help lower-income households—seniors, people with disabilities, women and children fleeing family violence, youth at risk, the homeless and those at risk of homelessness—gain access to safe, affordable housing.

We help Aboriginal people improve their housing through new construction, repair of existing homes, and the development of housing markets and the Aboriginal housing sector.

We are committed to ensuring that Canadians have greater access to mortgage financing and an abundant supply of low-cost funds for the residential mortgage market. We encourage innovation in housing design and technology, community planning, housing choice and finance. Through CMHC International, we also help the Canadian housing industry—from service providers to builders and suppliers—to remain competitive.

The creation and sharing of knowledge that supports a better understanding of housing challenges and solutions is important to ensuring ongoing improvements in housing conditions in Canada. This year's edition of the *Canadian Housing Observer* makes an important contribution in this regard. I am confident that you will find it useful.

Karen Kinsley
President, CMHC

For more information

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The State of Canada's Housing

AN OVERVIEW

Canada's Housing: Influences on Housing Demand

- As of the 2001 Census count, there were 11.6 million occupied dwellings in Canada. Two thirds of them were occupied by homeowners.
- Housing demand has been strong since the late nineties. The strength has come from household formation, achieved through growing incomes and employment, rather than population growth, which has slowed in the last 15 years as a result both of low fertility and an aging population. Contributing to the changing population profile is the high level of immigration, and rapid growth in the Aboriginal population.
- In contrast to the early nineties, household income growth (19.7 per cent from 1995 to 2000) was considerably faster than shelter cost growth (11.1 per cent between 1996 and 2001), but high income earners saw their incomes rise much faster than those of low income.
- This growing income gap was reflected in the housing sector where median incomes of homeowners are now approximately double those of renter households. Their consequent greater opportunity of accumulating savings and possessions, and growing home equity resulted in a wide gap between the net worth of owners ($226,000) and renters ($14,000) as of 1999.
- The number of immigrants living in Canada increased at more than double the rate of the general population between 1991 and 2000. Immigrants now make up 18 per cent of the Canadian population. More than 70 per cent of new immigrants come to Toronto, Vancouver or Montreal.
- Less than a third of recent immigrants were owners in 2001 compared with two thirds of non-immigrant households. Six in ten recent immigrant households lived in apartments compared with only a quarter of non-immigrant households, and they have fewer rooms and fewer bedrooms. With their larger family size they are much more likely to be living in crowded conditions. However, the longer immigrants live in Canada, the closer their housing conditions and incomes come to resemble those of non-immigrants.
- Aboriginal households, with incomes 25 per cent lower than those of non-Aboriginal households, experienced low ownership rates and high rates of crowding and disrepair. Aboriginal housing conditions are discussed in more detail in the Focus on Aboriginal Housing chapter of this document.
- From 1991 to 2001, the number of people aged 65 and above grew at more than double the rate of the general population, and this growth rate will continue to accelerate. Just under three quarters of seniors own their homes. Of these, five out of six are mortgage-free.
- The growing seniors population suggests a gradual and modest shift away from single-detached homes to smaller multiple units including condominiums. The shift will be dampened by the fact that pre-retirement seniors (aged 45 to 65) are more likely to switch from renting to owning, and because of the attachment of seniors to their current homes.

Current Market Developments

- 2004 was a strong year for the housing sector. Housing-related spending was up 7.7 per cent in current dollars, compared to growth of 5.7 per cent in the rest of the economy. Construction industry employment grew faster than in any other industry, and exports of housing-related products rose 15 per cent.
- Existing home sales through the Multiple Listing Service (MLS®) grew by 4.8 per cent in 2004, to a record of 456,500 dwellings, and prices rose nearly 10 per cent for the third year in a row.
- Responding to demand, housing starts increased by 6.9 per cent in 2004 to more than 233,400 units, their highest level since 1987. Starts increased in all provinces except New Brunswick, Nova Scotia and Ontario.
- Builders faced rising construction costs and shortfalls in construction labour and skilled tradesmen. Higher prices for wood products and steel were behind the increases in construction costs.
- The movement out of rental accommodation into homeownership continued in 2004, and the average apartment vacancy rate for major urban centres rose from 2.2 to 2.7 per cent. Despite the increase in vacancy rates, rents rose in 2004, with the highest increases being for two-bedroom apartments at 2.3 per cent.
- These rent increases lagged considerably behind the 8.1 percent increases in mortgage carrying cost of a newly purchased existing home (due to higher house prices) and the gap between the cost of renting and owning widened significantly.
- The Canadian rental market includes a variety of living arragements in addition to conventional rental units. Although there is no direct count, estimates indicate that one third of all rental units in Canada's cities are supplied by what is sometimes referred to as the secondary rental market.
- Owners took advantage of lower mortgage rates to refinance and renovate. Over half the proceeds of refinancing in 2004 were used for renovation-related activity. Spending on alterations and improvements were up 13.6 per cent in 2004.

Housing Finance

- The strong sales and construction activity pushed the total value of mortgage approvals up 17.1 per cent in 2004 compared to 2003. This reflects a 9.8 per cent increase in the number of loan approvals as well as a 6.7 per cent increase in the average loan amount.
- Canadian household debt has risen steadily over the past 30 years and its ratio relative to income has increased to over 100 per cent. However, the mortgage payment-to-income ratio has been near an all-time low for several years. Much of the increase in debt has been used to acquire assets, increasing the net worth of households. In 2004, mortgage debt accounted for 68.7 per cent of total household debt, down from the peak of 74.5 per cent in 1993.
- Mortgage holders are increasingly shopping around when renewing. In 2004, 14 per cent of homeowners switched lenders when renewing their mortgage.
- Lenders have continued to offer discounts ranging from 50 to 150 basis points from their posted mortgage rates (which have been roughly 240 basis points above bond yields in recent years). Mortgage rates in 2004 remained near historic lows, making homeownership financing very affordable.
- NHA Mortgage-Backed Security (MBS) issuance totalled $30 billion in 2004, an increase of 9.5 per cent over 2003. Of this total, $19.3 billion was issued for the Canada Mortgage Bonds (CMB) Program, while the remainder was issued directly to investors in the secondary market. At the end of December, total issuance of Mortgage-Backed Securities (MBS) stood at over $37.7 billion, about 15 per cent higher than in 2003. The outstanding amount of CMB guaranteed by CMHC rose to $54.5 billion in 2004.
- With mortgage rates trending lower over the last four years, variable-rate mortgages and adjustable rate mortgages have gained considerable popularity with homebuyers. In response, CMHC has expanded the NHA MBS program to include separate pool types for variable rate mortgages and for adjustable rate mortgages.

Aboriginal Housing

- In 2001, there were close to 1 million Aboriginal people in Canada accounting for 3.4 per cent of all households. Of the 398,400 Aboriginal households counted in Canada, close to 20 per cent (73,315) were located on reserves.
- Aboriginal households face tremendous challenges in obtaining adequate housing, including low incomes, unemployment and legal impediments on-reserve.
- In 2001, nearly 24 per cent of Aboriginal households living outside reserves were in core housing need, compared to 13 per cent of non-Aboriginal households. Of some encouragement is the fact that the rate is declining and the gap is narrowing. Aboriginal people are also over-represented in the homeless population.
- On-reserve, the shortfall of dwelling units is estimated to be between 20,000 to 35,000 units. This lack of housing on-reserve has resulted in overcrowding, which accelerates the deterioration of housing and related infrastructure, and affects the health and social well-being of occupants.
- As of 2001, 22.4 per cent of on-reserve Aboriginal households were living in inadequate housing and unable to afford housing in adequate condition. This is over 11 times higher than for non-Aboriginal households.
- Due to high unemployment rates and high construction and operating costs, a large portion of the northern population relies on assisted housing. In 2001, 16.8 percent of Inuit households were in core need and overcrowded, compared to 5.7 per cent of all Aboriginal households.
- Aboriginal women face particular challenges both on and off-reserve. Aboriginal women living outside reserves are more likely to live in lone-parent households than non-Aboriginal females. Almost half (48 per cent) of Aboriginal lone-parent households are in core housing need.
- Women living on-reserve face additional challenges in housing. For example, in marriage dissolution, provincial courts have no authority to award an interest in the matrimonial home, which is usually in the legal possession of the husband or the band. This often results in women having to leave the reserve unless the community has a housing policy for such situations.
- In response to the challenges, Aboriginal groups are innovating in areas such as governance, housing policy development, housing delivery and administration, the encouragement of home-ownership and healthy and sustainable approaches to housing. Examples are presented in the Aboriginal chapter.
- Future directions to address Aboriginal housing challenges are being explored through the Canada – Aboriginal Peoples Round Table process which was initiated in April 2004. Housing was one of the six sectors identified for further policy development.
- A key message heard throughout the Roundtable process and echoed at the May 31, 2005 Aboriginal Policy Retreat is the need to increase Aboriginal capacity and control over housing and the need to strengthen relationships among federal, provincial, territorial and Aboriginal partners to work collaboratively on improving Aboriginal housing conditions. The First Ministers Meeting on Aboriginal issues scheduled for November 2005 is a key milestone to working towards this vision.

Healthy Housing and Sustainability

- Housing is a key element of environmental sustainability and quality of life because it is such a heavy consumer of resources in its construction, maintenance and its operation. It also lasts for a long time, affecting energy consuming activities and other key facets of our lives, such as transportation, infrastructure, community, employment, and health.
- In 2003, the residential sector accounted for 17 per cent of Canada's total energy use and 16 per cent of the country's greenhouse gas (GHG) emissions. Total GHGs from all sectors increased by 23 per cent between 1990 and 2003, while increases in residential GHG emissions were somewhat lower, at 15 per cent.
- Several factors can contribute to increases in residential energy use and GHG emissions: seasonal temperature fluctuations, lifestyle, household design and choice of appliances, equipment and dwelling type (structure), the number and size of homes (activity), their integration into the community, and their relationship to the local environment.

- Although the increasing size of Canadian houses decreases the overall efficiency of energy use in the residential sector, energy-efficiency improvements can reduce energy use and GHG emissions. Between 1990 and 2003, the increase in energy use was only 40 per cent of what it would have been without efficiency gains.
- Developments in construction techniques and building materials, and the increasing market share for energy-efficient household appliances have significantly improved the energy efficiency of homes. On average, houses built between 2001 and 2004 use approximately half the amount of energy as those built before 1946.
- Natural Resources Canada's *EnerGuide for Houses* program rates homes on environmental features and gives homeowners specific advice on improving energy efficiency. In 2002-2003, about 48,000 homes in Canada were evaluated. Householders who retrofitted their homes reduced energy consumption by between 20 and 38 per cent and carbon dioxide emissions by an average of four tonnes per year per house.
- CMHC has also developed the Healthy Housing™ concept, based on the principles of occupant health, energy efficiency, resource conservation, environmental impact and affordability. These principles can be applied to all housing forms, styles and price ranges and homes that are appropriately scaled to the occupant's needs are cheaper to own and operate.

Affordability

- In 2001, the average Canadian household spent around one fifth of its before-tax income on housing.
- Seventy per cent of Canadian households lived in affordable uncrowded housing in good repair. Another 16.3 per cent could have obtained acceptable housing at a cost of less than 30 per cent of before-tax household income.
- This left 13.7 per cent of Canadian households living in core housing need, i.e., they were unable to find acceptable housing. This is down from 15.6 per cent in 1996, and was almost as low as the 13.6 per cent level of core need measured in 1991.
- Core need has an income dimension, and of those in the very lowest income bracket ($10,000 and less), four out of five households were in core housing need.
- Lone-parent, unattached-individual, recent-immigrant and Aboriginal households were all more likely to be in core housing need than other Canadian households.
- Renters are over-represented among those in core housing need. While 28.3 per cent of renters were in core need, the comparable figure for owners was 6.6 per cent. Rental households account for over two thirds of those in core housing need.
- It is evident that households in core need cannot look to accumulated wealth to solve their problems. Based on 1999 data, at most, some 8.1 per cent of owners in core need in 2001 possessed resources that would have enabled them to address their own housing affordability problems. Virtually no renter households in core need had the financial resources to address their own housing problems.

Canada's Housing

INFLUENCES ON HOUSING DEMAND

Canada's housing stock: 11.6 million occupied dwellings

While new homes are built every year and existing homes renovated or demolished, the total housing stock changes only gradually.

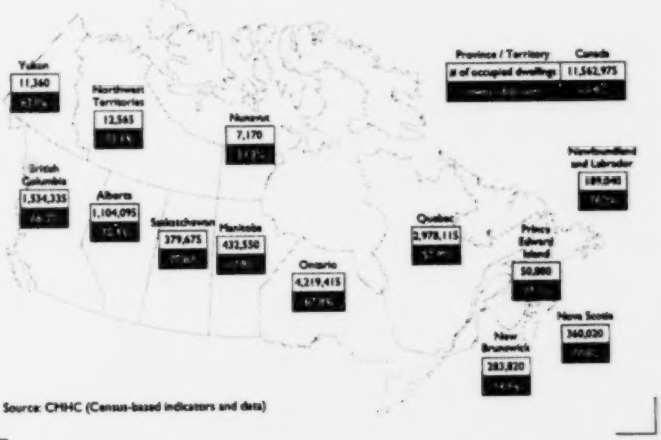
The Census, conducted every five years by Statistics Canada, is the most complete source of information about Canada's housing stock.

This chapter briefly outlines Canada's housing stock and the socio-economic and demographic influences on housing demand.

There were more than 12.5 million residential dwellings in Canada in 2001. However, almost one million were either unoccupied, vacation, or collective dwellings (such as hospitals, school dormitories, residences for senior citizens and institutions), leaving 11.6 million private occupied dwellings, which corresponds to the number of households *(see Figure 1).*

FIGURE 1

TOTAL OCCUPIED DWELLINGS AND OWNERSHIP RATE, CANADA, 2001



Source: CMHC (Census-based indicators and data)

Almost two-thirds of Canadians own their homes

Most (65.8 per cent) of these private households own their homes. The ownership rate is highest in Newfoundland and Labrador, where 78.2 per cent of households own their homes, compared to only 24.2 per cent in Nunavut. In rural and small centres,[1] the homeownership rate is significantly higher than the national average, with single-detached dwellings accounting for nearly all the owned dwellings *(see Figure 2).* In Newfoundland and Labrador, for example, rural and small centres have the highest ownership rate in the country (85 per cent)—and 96 per cent of those homes are single-detached dwellings. In contrast, the ownership rate and prevalence of singles tends to be lower in larger cities, particularly in Quebec. In Montréal, half of all households own their homes and only 60 per cent of these homes are singles.

1 Rural and small centres are those areas outside of Census Metropolitan Areas (CMAs) and Census Agglomerations (CAs). CMAs consist of one or more adjacent municipalities situated around a major urban core with a population of at least 100,000. CAs consist of one or more adjacent municipalities situated around a major urban core with a population of at least 10,000.

Canada's Housing

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FIGURE 1

TOTAL OCCUPIED DWELLINGS AND OWNERSHIP RATE, CANADA, 2001

Source: CMHC (Census-based indicators and data)

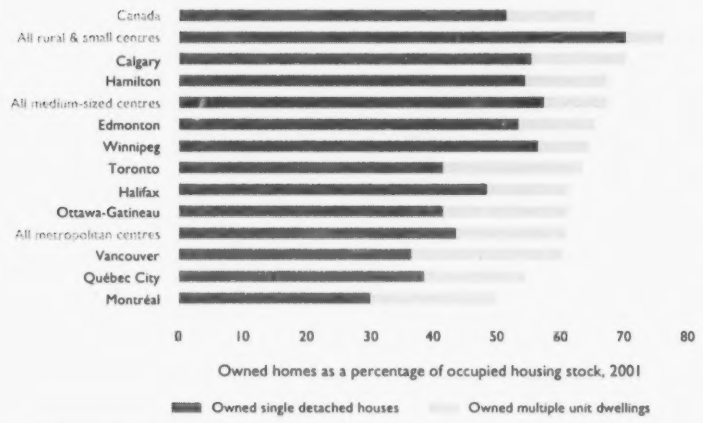
Almost two-thirds of Canadians own their homes

Most (65.8 per cent) of these private households own their homes. The ownership rate is highest in Newfoundland and Labrador, where 78.2 per cent of households own their homes, compared to only 24.2 per cent in Nunavut. In rural and small centres,[1] the homeownership rate is significantly higher than the national average, with single-detached dwellings accounting for nearly all the owned dwellings *(see Figure 2)*. In Newfoundland and Labrador, for example, rural and small centres have the highest ownership rate in the country (85 per cent)—and 96 per cent of those homes are single-detached dwellings. In contrast, the ownership rate and prevalence of singles tends to be lower in larger cities, particularly in Quebec. In Montréal, half of all households own their homes and only 60 per cent of these homes are singles.

1 Rural and small centres are those areas outside of Census Metropolitan Areas (CMAs) and Census Agglomerations (CAs). CMAs consist of one or more adjacent municipalities situated around a major urban core with a population of at least 100,000. CAs consist of one or more adjacent municipalities situated around a major urban core with a population of at least 10,000.

FIGURE 2

OWNERSHIP RATES BY DWELLING TYPE, CANADA AND SELECTED URBAN CENTRES, 2001



Rural and small centres are those settlements with under 10,000 people. Medium-sized centres are settlements with urbanized cores of between 10,000 and 99,999 people. Metropolitan centres are settlements with urbanized cores of 100,000 people or more.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

While the number of occupied dwellings in Canada has almost tripled over the last 40 years, the proportion of singles has remained relatively constant since 1976.

However, the steady share of singles masks changes in tenure, such as the growing ownership rate and the increasing popularity of condominiums, along with regional variations in other housing stock characteristics.[2]

Increasing wealth and changing population mix drives demand

Beginning in the late 1990s, Canada entered a period of prolonged employment and income growth. Job and income gains, coupled with low mortgage rates and increasing wealth, raised housing demand by bringing an expanded range of housing choices within reach of Canadians.

Although population growth rose moderately at the start of the millennium, no marked acceleration fuelled recent increases in home building in Canada.[3] In fact, over the last decade and a half, population growth in Canada slowed, supported on the one hand by high immigration levels but restrained on the other by falling births and rising deaths as growing numbers of baby boomers entered middle age.

Because growth rates varied considerably across groups, the composition of the general population continued to shift. In particular, the numbers of immigrants, Aboriginal people, and seniors each increased more rapidly than the population as a whole. The housing choices of these and of other Canadians are driven by specific needs and tastes and are subject to financial constraints, which for many recent immigrants and Aboriginal people include low incomes.

Strong labour market continues to support housing

In 1997, job creation and income growth in Canada accelerated, inaugurating a period of rising employment and disposable incomes that extended through 2004 *(see Figure 3)*. Although the pace of job creation over the past four years was not as consistently strong as during the late 1990s, it remained well above that of the first half of the 1990s. In combination with low mortgage rates, this period of increasing employment and disposable incomes raised housing demand—more than countering any drag arising from declining population growth. The income generated by steady employment and the resulting opportunity to build up savings brought additional housing choices within reach of individuals and families by, for example, allowing those sharing accommodation to consider forming their own households.[4]

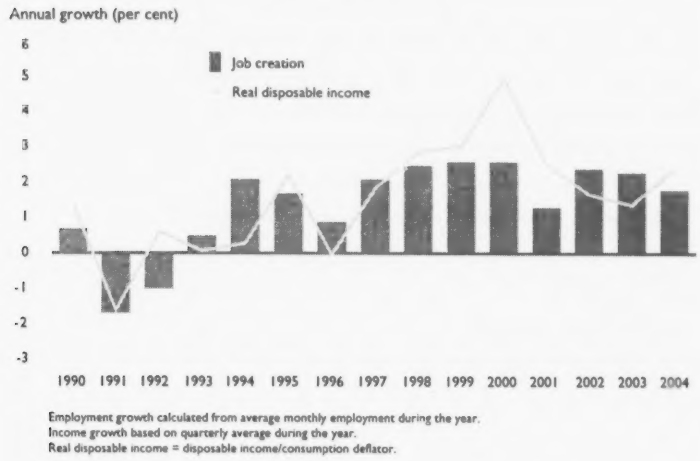
2 See the *Canadian Housing Observer 2004* "A Portrait of Canada's Housing" for additional details.

3 Housing starts in Canada increased by more than 50 per cent from 2000 to 2004.

4 Sharing can take many forms: living with roommates, renting to boarders, or moving in with family members.

FIGURE 3

JOB CREATION AND REAL DISPOSABLE INCOME GROWTH, CANADA, 1990-2004



Employment growth calculated from average monthly employment during the year.
Income growth based on quarterly average during the year.
Real disposable income = disposable income/consumption deflator.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

Full-time positions accounted for all the job gains in 2004. Throughout the year, both the rate of participation in the labour force and the employment rate—the percentage of the population with jobs—were at or near record levels. The unemployment rate dropped to 7.2 per cent, matching the rate in 2001.

Real income growth moderates

With job creation accelerating, average before-tax incomes of Canadian households grew three times faster from 1995 to 2000 than during the preceding five years. In contrast to the early 1990s, when average shelter costs increased faster than average incomes, income growth in the late 1990s surpassed increases in shelter costs. Average household incomes rose 19.7 per cent from 1995 to 2000, while shelter costs increased just 11.1 per cent between 1996 and 2001.[5] The largest income gains were in urban centres in Alberta and southern Ontario, the regions with the strongest employment growth.

The somewhat lower rate of job creation in recent years has likely dampened household income growth since 2000. Growth in real disposable incomes, which tends to parallel household incomes, accelerated in the late 1990s and then slowed *(see Figure 3)*.

Real household incomes did not fully recover from declines in the early 1990s until late in the decade. From 1990 to 2003, the median real after-tax income of Canadian households rose 1.9 per cent.[6] Real after-tax incomes of owner households increased 3.6 per cent, but those of renters fell 4.2 per cent.

One factor that curbed growth in the real incomes of renters was the movement in the late 1990s of large numbers of households out of rental units into homeownership. This is because the renters who bought homes typically had higher incomes than households that continued to rent.[7]

High-income earners enjoyed much stronger income growth than those with low incomes. From 1990 to 2003, the average real after-tax income of the bottom fifth of households declined 1.2 per cent, while that of the top fifth rose 14.8 per cent *(see Figure 4)*.

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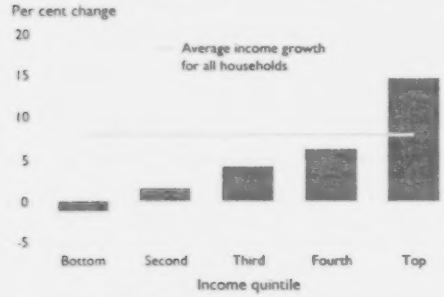
5 Data are not adjusted for inflation. Reference dates for income and shelter cost data collected by the Census differ. Income data refer to the calendar year preceding the Census, while shelter cost data gives expenses for the Census year. Data exclude farm, band and reserve households; households with incomes of zero or less and households whose shelter costs equal or exceed their incomes. For renters, shelter costs include rent and payments for electricity, fuel, water and municipal services that are not included in the rent. For owners, shelter costs include mortgage payments (principal and interest), property taxes and condominium fees, along with payments for electricity, fuel, water and municipal services.

6 All income data referenced in this and the following paragraph are from custom tabulations that combine data from the *Survey of Consumer Finances* (for 1990 through 1995) and the *Survey of Labour and Income Dynamics* (for 1996 through 2002).

7 In 2002, homeowners who had moved from rental homes within the previous six years had median household incomes that were more than double the incomes of households who rented throughout the same six-year period (Statistics Canada—*Survey of Household Spending*).

FIGURE 4

GROWTH OF REAL AFTER-TAX HOUSEHOLD INCOME BY QUINTILE, CANADA, 1990-2003



Growth based on average real after-tax household income in each quintile.

Source: CMHC, adapted from Statistics Canada (*Survey of Consumer Finances* and *Survey of Labour and Income Dynamics*)

Recent home equity gains help sustain growth in wealth

Take-home pay is one source of funds that households can use to acquire housing, but not the only one. Households can also tap savings—if they have any—to cover rent, mortgage payments and other expenses. Wealth in the form of cash savings or other liquid assets can allow households to weather layoffs, illnesses and other interruptions to their incomes.

In 1999, the median net worth of households in Canada was about $124,000.[8] On a regional basis, net worth was highest ($157,000) in British Columbia and lowest ($70,000) in Newfoundland and Labrador *(see Figure 5)*. Differences in home equity accounted for some—but by no means all—of the differences in net worth across provinces. While home equity was relatively high in Ontario, Alberta, and British Columbia—the provinces with the highest housing prices in Canada—so, too, were holdings of other assets.

Net worth typically accumulates during employment and is drawn down during retirement. In 1999, the median net worth of households whose major income earner was aged 55 to 64 ($283,000), was seven times that of households maintained by those between 25 and 34 ($41,000) and more than 45 times that of households maintained by those under 25 ($6,000).

As a group, owners are much wealthier than renters. In 1999, the median net worth of owner households was $226,000, that of renters just $14,000. The imbalance was not simply a matter of owners being older—differences in net worth were still substantial for owners and renters within the same age groups.

Judging from their current incomes, the large difference in the net worth of owners and renters is probably a consequence of lifetime income differences.[9] Owners are likely to have earned relatively high incomes over extended periods, allowing them to accumulate other assets as well as equity in their homes. Median incomes of owner households in 1999 were approximately double those of renters of similar age. Home equity accounted for 29 per cent of the net worth of homeowners.[10]

From 1984 to 1999, the real median net worth of households rose by about ten per cent. During this period, disparities in the wealth of owners and renters widened. The real median net worth of owners rose over 20 per cent, while that of renters dropped more than 40 per cent. This divergence is consistent with the previously discussed direction of income changes during the 1990s.

National accounts data suggest that the real net worth of Canadian households has grown since 1999 but at a slower rate than during the 1990s. In the last few years, stock markets have been volatile, while house prices have accelerated.

As a result, after falling through much of the 1990s, residential structures and land have grown as a proportion of the assets of persons and unincorporated businesses. It is likely therefore, that home equity now represents a larger share of household net worth than it did in 1999.

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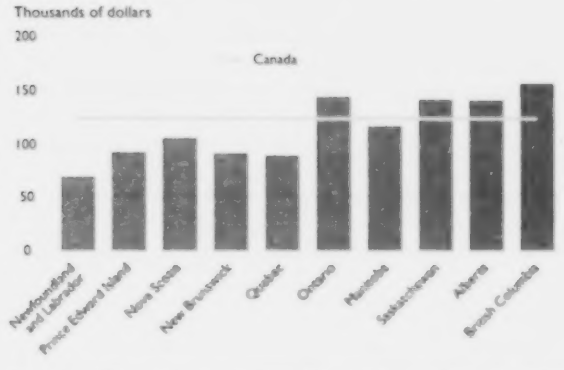
8 The last comprehensive survey of wealth in Canada, the *Survey of Financial Security*, was conducted in 1999. Net worth is the difference between a household's assets and liabilities. Assets include the value of registered pension plans.

9 It is not just current income but income over a lifetime—so-called permanent income—that is used to build net worth.

10 The proportion rises to 36 per cent if the value of registered pension plans is excluded from net worth.

FIGURE 5

MEDIAN NET WORTH, CANADA AND PROVINCES, 1999



Net worth is the difference between assets and liabilities. Assets include the value of registered pension plans.

Source: CMHC, adapted from Statistics Canada (Survey of Financial Security)

Population growth unchanged in 2004

Over the last decade and a half, the pace of population growth slowed gradually in Canada *(see Figure 6)*. Two factors helped limit growth: low fertility and an aging population.

For years, the number of births per woman has been below the level required for each generation to replace itself.[11] Baby boomers, the large generation born in the two decades following the Second World War, now range in age from about 40 to 60. As baby boomers moved progressively into middle age during the 1990s, births fell and deaths rose steadily.

Between 1990 and 2004, natural increase—the difference between births and deaths—dropped by more than half.[12]

In 2004, population growth remained below one per cent for the second year in a row, after briefly rising above that mark in 2001 and 2002.[13] Net international migration accounted for two-thirds of growth in 2004, a sharp contrast to the first half of the 1990s when natural increase contributed the dominant share. With natural increase set to decline further as Canada's baby boomers age, the proportion of growth attributable to immigration is likely to rise in coming years.

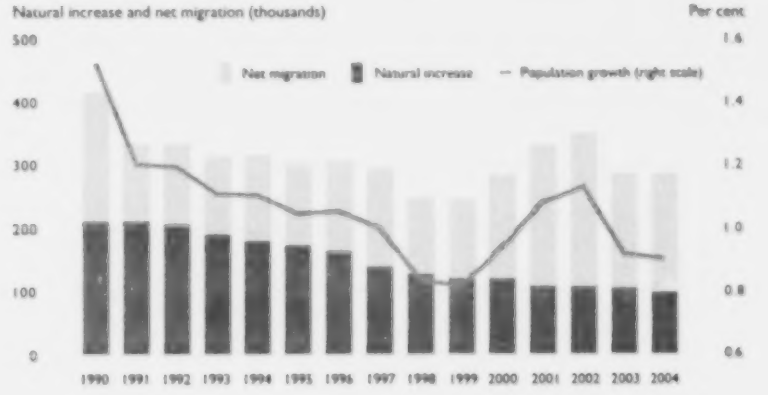
Housing construction linked to population growth

Although no significant increase in population growth occurred in conjunction with the recent run-up in homebuilding in Canada, it is a mistake to conclude that there is no connection between housing demand and population growth. People are the raw material from which households form, and growth in the number of households is a key source of housing demand.

Marked differences in population growth underlie variations in the rate of housing construction from city

FIGURE 6

COMPONENTS OF POPULATION GROWTH, CANADA, 1990-2004



Data are for 12-month period ending on June 30 of stated year.
Net migration is the difference between population growth and natural increase.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

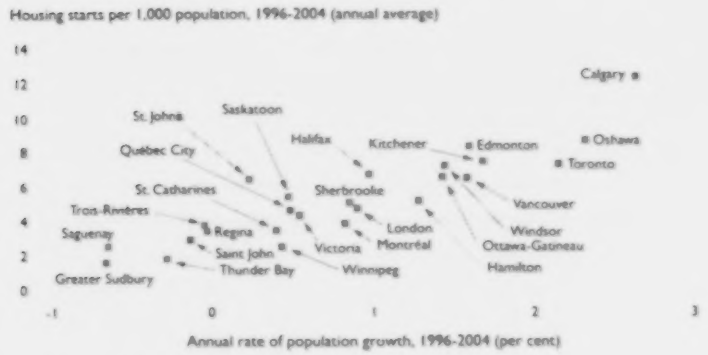
11 In 2003, the total fertility rate in Canada was 1.53 births per woman, far below the so-called replacement rate of 2.1.

12 Natural increase describes how much a population would grow in the absence of migration.

13 All data on population growth, natural increase and migration are for the 12 months before July 1 of the year under discussion.

FIGURE 7

PER CAPITA HOUSING STARTS AND POPULATION GROWTH, CENSUS METROPOLITAN AREAS, 1996-2004



Population data refer to the period from July 1, 1996 to June 30, 2004.
Housing starts are based on the calendar year.
Excludes Abbotsford and Kingston. Population data for these centres were unavailable for years prior to 2001.

Source: CMHC, (Starts and Completions Survey) and adapted from Statistics Canada (CANSIM II)

to city. Though the relationship is complicated by other factors, including housing costs and the state of local economies, urban centres with relatively high rates of population growth generally account for a disproportionate share of homes built.

From 1996 to 2004, for example, the per capita rate of homebuilding in Calgary, the fastest-growing metropolitan area in Canada during the period, was many times higher than in shrinking Census Metropolitan Areas (CMAs) like Greater Sudbury, Thunder Bay and Saguenay *(see Figure 7)*. Vancouver, Edmonton, Toronto, Ottawa-Gatineau, and a number of other urban centres in southern Ontario also had strong population growth and high construction volumes.

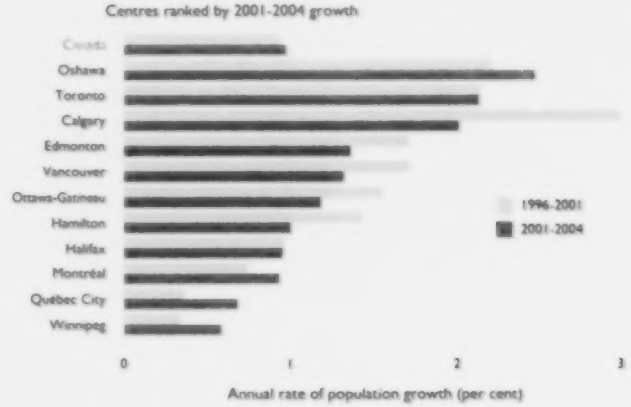
Though centres in Ontario, Alberta, and British Columbia still led the growth rankings, the distribution of metropolitan population growth was moderately more even in the period from 2001 to 2004 than during the previous half decade. Growth slowed somewhat in Calgary, Edmonton, Vancouver, Ottawa-Gatineau and a number of southern Ontario centres, including Hamilton, and rose modestly in many metropolitan areas in other parts of Canada, including Montréal, Québec City and Winnipeg *(see Figure 8)*. Fed by within-province migration, much of it likely from nearby Toronto, Oshawa was the fastest-growing CMA in Canada from 2001 to 2004, followed by Toronto and Calgary.

Metropolitan growth is tied to migration and job creation

Large differences in metropolitan population growth rates primarily reflect the impacts of migration. Cities grow rapidly because people move to them. Slow-growing or declining centres typically lose population through out-migration. Migration will remain the key determinant of metropolitan growth since all major urban centres in Canada face—to varying degrees—the prospect of aging populations. In a few, deaths already outnumber births.[14]

FIGURE 8

POPULATION GROWTH, CANADA AND SELECTED URBAN CENTRES, 1996-2004



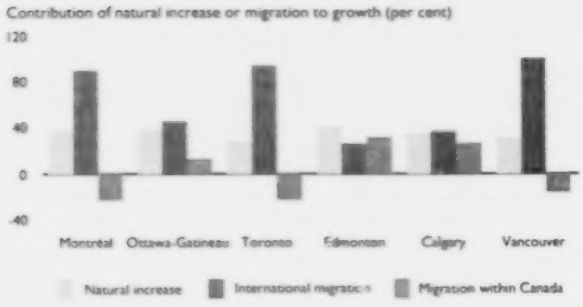
Population data refer to the period from July 1, 1996 to June 30, 2004.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

14 In 2004, natural increase was negative in Trois-Rivières, St. Catharines, Greater Sudbury, Thunder Bay and Victoria.

FIGURE 9

COMPOSITION OF POPULATION GROWTH, SELECTED URBAN CENTRES, 2001-2004



Population data refer to the period from July 1, 2001 to June 30, 2004.
Natural increase is the difference between births and deaths.
Components may not sum to 100 per cent.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

From 1996 to 2004, populations in six metropolitan areas—Greater Sudbury, Saguenay, Thunder Bay, Saint John, Trois-Rivières and Regina—fell.[15] In each, the number of residents moving to other parts of Canada outnumbered those arriving from elsewhere in Canada.

Many metropolitan areas with above-average population growth, such as Calgary, Edmonton and Ottawa-Gatineau, attract migrants both from within Canada and from abroad *(see Figure 9)*. Migration patterns are very different for Montréal, Toronto and Vancouver. They lose population to other parts of Canada, but losses are more than offset by the arrival of large numbers of immigrants.

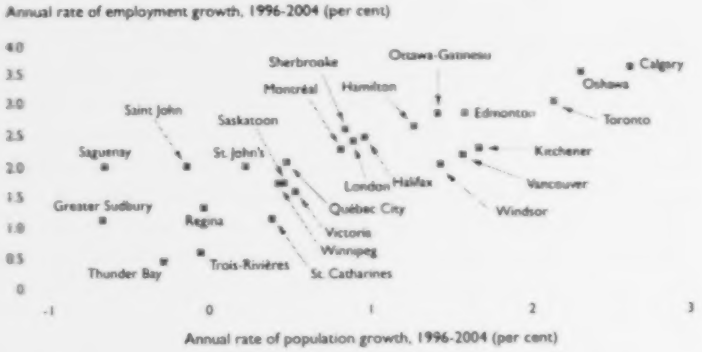
One reason people move is to take up new jobs or to find a job. Metropolitan areas with consistently high population growth rates tend to have relatively strong job gains. Since the mid-1990s, centres with both strong population growth and robust job creation, led by Calgary, have been concentrated in Alberta and southern Ontario *(see Figure 10)*.[16]

Immigrants drawn to Toronto, Montréal and Vancouver

More than 70 per cent of new immigrants to Canada come to Toronto, Vancouver or Montréal—over 40 per cent to Toronto alone. Over the past two decades, the likelihood of an immigrant settling in one of these three centres has increased.[17] Although some immigrants move from Toronto and Montréal to other centres in the years following their arrival in Canada, such is not the case for Vancouver, which subsequently attracts additional immigrants from the rest of Canada.[18]

FIGURE 10

POPULATION AND EMPLOYMENT GROWTH, CENSUS METROPOLITAN AREAS, 1996-2004



Population data refer to the period from July 1, 1996 to June 30, 2004.
Compound annual employment growth is calculated from average monthly employment during calendar year.
Excludes Abbotsford and Kingston. Population data for these centres were unavailable for years prior to 2001.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

15 All but Greater Sudbury and Saguenay recorded modest growth towards the end of the period.

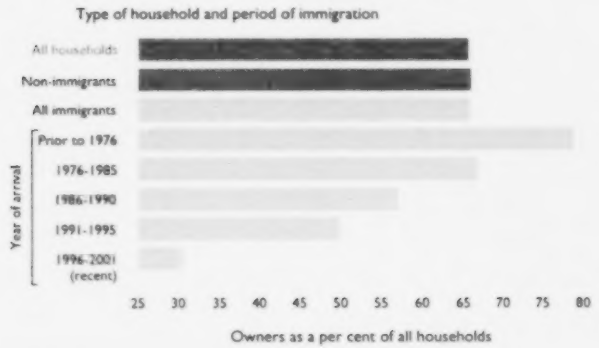
16 As with population growth, employment growth in most urban centres in Alberta and southern Ontario slowed in recent years.

17 Feng Hou and Larry S. Bourne, *Population movement into and out of Canada's immigrant gateway cities: A comparative study of Toronto, Montreal and Vancouver*, Analytical Studies Branch research paper series Catalogue no. 11F0019MIE - No. 229 (Ottawa: Statistics Canada, 2004), p.5. In 1981, almost 60 per cent of immigrants who arrived in Canada in the previous 10 years were living in Toronto, Vancouver or Montréal. In 2001, by comparison, these three metropolitan areas were home to nearly three-quarters of immigrants from the previous decade.

18 Hou and Bourne, pp. 16–17. Although Toronto experienced a net loss of immigrants to other locations in Canada from 1976 to 2001, it gained university-educated immigrants. In comparison, out-migration of immigrants from Montréal affected all education classes.

FIGURE 11

OWNERSHIP RATES, IMMIGRANT AND NON-IMMIGRANT HOUSEHOLDS, CANADA, 2001



Year of arrival describes the period during which the primary household maintainer landed in Canada.

Recent refers to household maintainers arriving in Canada between 1996 and May 15, 2001.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

From 1991 to 2000, 2.2 million immigrants settled in Canada, the highest intake of any decade in the 20th century.[19] As a result of this influx, the number of immigrants living in Canada increased at more than double the rate of the general population. So far, in the decade beginning with 2001, arrivals are on pace to surpass the 1991–2000 total.

In 2001, immigrants made up 18 per cent of the population of Canada, the highest proportion in 70 years.[20] In Toronto the proportion was 44 per cent; in Vancouver, 38 per cent— considerably higher than in major traditional immigrant destination cities in the United States, Australia or Europe. Only Miami comes close.[21]

For immigrants, the presence of family members or friends is the most important reason for choosing a particular destination.[22] Job prospects, though also important, come second. Large immigrant populations in places like Toronto, Vancouver, and Montréal therefore tend to encourage further immigration to these cities, one reason why they continue to attract the bulk of newcomers to Canada.

Recent immigrants typically rent, often live in crowded housing

By comparison to non-immigrants, the housing occupied by recent immigrants is relatively modest, with two-thirds living in multiple-unit rentals. In 2001, less than a third of recent-immigrant households were owners, compared to two-thirds of non-immigrants *(see Figure 11)*.[23] Six in ten recent-immigrant households lived in apartments, and just over one in five lived in single-detached houses.[24] With six in ten non-immigrant households living in detached homes and only a quarter in apartments, the dwelling types of non-immigrants in 2001 were virtually the reverse of those of recent immigrants.[25]

Concentrated as they are in apartments, the homes of recent immigrants have fewer rooms overall and fewer bedrooms than those of non-immigrants. Since recent-immigrant households are significantly larger than non-immigrant households—an average of 3.2 persons in 2001 compared to 2.5 for non-immigrants—a high percentage of these smaller homes are crowded.

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19 Hou and Bourne, p. 5.

20 Statistics Canada, *2001 Census: analysis series Canada's ethnocultural portrait: The changing mosaic*, Statistics Canada Catalogue no. 96F0030XIE2001008 (Ottawa: Statistics Canada, 2003), p. 5.

21 Hou and Bourne, p. 9. The paper notes that the percentage of immigrants in the population of Toronto is higher than in Miami, Los Angeles, New York City, Sydney, Paris and London. Only the percentage in Miami (40 per cent) approaches that of Toronto.

22 Statistics Canada, *Longitudinal survey of immigrants to Canada: Process, progress and prospects*, Catalogue no. 89-611 XIE (Ottawa: Statistics Canada, 2003), pp. 13-15.

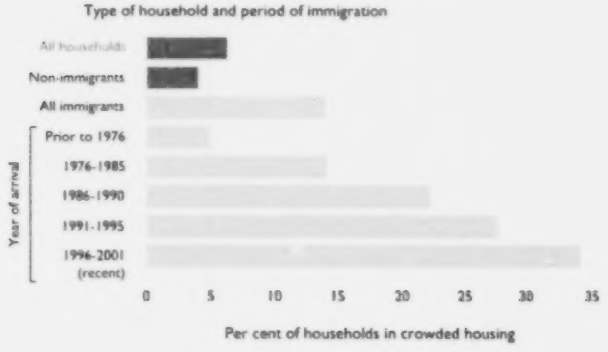
23 Household definitions underlying the discussion of immigrants in this chapter are derived from Census concepts. Immigrant households are households whose primary maintainers are immigrants to Canada. In 2001, recent-immigrant households were those whose primary maintainers came to Canada from 1996 through May 15, 2001 (Census Day). The primary household maintainer is the first person in the household listed on the Census form as being responsible for major household payments, such as rent or mortgage.

24 Virtually all of the remaining 17 per cent of recent immigrant households who did not live in apartments or single-detached houses lived in other types of multiple dwellings such as semi-detached, duplex or row units.

25 One reason for the differences in dwelling choices is that non-immigrants tend to be older than recent immigrants.

FIGURE 12

CROWDED HOUSING, IMMIGRANT AND NON-IMMIGRANT HOUSEHOLDS, CANADA, 2001



CMHC assesses crowding using the National Occupancy Standard, a measure that is sensitive to both household size and the relationships among household members.

Year of arrival describes the period during which the primary household maintainer landed in Canada.

Recent refers to household maintainers arriving in Canada between 1996 and May 15, 2001.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

Over a third of recent-immigrant households lived in crowded homes in 2001, compared to just four per cent of non-immigrant households *(see Figure 12)*. Among renters, the rate of crowding for recent immigrants was even higher—over 40 per cent.

Income differences play a role in the housing choices of immigrants and non-immigrants. In 2000, the median income of recent-immigrant households was two-thirds that of non-immigrant households *(see Figure 13)*.[26] Recent-immigrant households spent relatively high proportions of their low incomes on shelter—31 per cent on average in 2001 compared to 21 per cent for non-immigrants.[27] It is likely then that some recent immigrants share living space or settle for smaller housing than they would otherwise prefer in order to reduce expenses.[28] Lack of rental housing suited to families may also constrain the choices of recent immigrants.[29]

Even the recent immigrants who were homeowners in 2001 tended to choose relatively affordable ownership options. For example, one-quarter lived in condominiums, more than three times the percentage of non-immigrant owners in condominiums.[30]

Gulf between immigrants and non-immigrants shrinks over time

The longer immigrants live in Canada, the more their housing and incomes come to resemble those of non-immigrants. In 2001, for example, the rate of crowding among immigrant households declined progressively with years of residence in Canada *(see Figure 12)*. The same pattern of shrinking differences between immigrant and non-immigrant households held for ownership rates and incomes *(see Figures 11 and 13)*. In fact, in many metropolitan areas, the household incomes and ownership rates of immigrants who had been in Canada more than 15 years (since at least 1985) surpassed those of non-immigrants.[31]

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26 Income data collected by the Census of Canada refer to the previous calendar year. Data from the 2001 Census describe incomes in 2000.

27 Shelter cost-to-income calculations apply only to non-farm, non-band, non-reserve households with incomes greater than zero and shelter costs equal to less than 100 per cent of their incomes. All other statistics discussed with respect to immigrant and non-immigrant households are derived from data for all households in Canada.

28 Although the relatively large size of recent-immigrant households may reflect a preference for living in extended families, it is likely that it also reflects costs or a lack of available homes with enough bedrooms for extended or multiple families. Compared to non-immigrants, recent immigrants in 2001 were more than twice as likely to share housing with relatives other than their immediate families and four times as likely to live in households comprising two or more families.

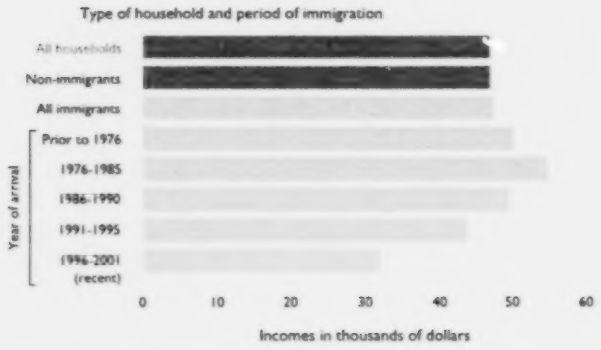
29 Lapointe Consulting Inc. with Robert A. Murdie, *Immigrants and the Canadian housing market: Living arrangements, housing characteristics, and preferences*, (Ottawa: Canada Mortgage and Housing Corporation, 1996), p.8.

30 Around 80 per cent of non-immigrant owners lived in single-detached homes, compared to less than 60 per cent of recent-immigrant owners. Some, but not all, of this difference reflects the concentration of immigrants in large urban centres with relatively high proportions of multiple-unit dwellings in their housing.

31 One reason for the relatively high incomes and ownership rates of these immigrants is that they are generally older than other immigrants.

FIGURE 13

MEDIAN INCOMES, IMMIGRANT AND NON-IMMIGRANT HOUSEHOLDS, CANADA, 2000



Year of arrival describes the period during which the primary household maintainer landed in Canada.

Recent refers to household maintainers arriving in Canada between 1996 and May 15, 2001.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

These patterns suggest that differences with respect to income and housing between the current generation of recent immigrants and non-immigrants are likely to narrow or even disappear over time. The extent to which differences diminish remains to be seen, however, since each generation of newcomers has distinct characteristics and faces a different set of economic circumstances upon arrival in Canada.

One obvious change over time in the characteristics of immigrants is that newcomers to Canada nowadays come predominantly from Asia and other non-European regions, rather than Europe. In some respects at least, the current generation of recent immigrants has more ground to make up on non-immigrants than previous generations: in 2001, recent immigrants had slightly lower household incomes and ownership rates than their counterparts in 1991.[32]

Aboriginal housing is often crowded and in poor repair

Like immigrants, Aboriginal people—who represent about three per cent of the national population—are a rapidly growing subpopulation. Growth from 1996 to 2001 was more than five times the rate for the Canadian population overall. A youthful age profile and high fertility are factors behind the strong growth.[33] In 2001, half of Aboriginal people were under the age of 25 compared to about a third of non-Aboriginal people.

Certain parts of Canada, especially the North and the Prairies, have high concentrations of Aboriginal people. In 2001, Aboriginal people made up 85 per cent of the population of Nunavut, 51 per cent of the Northwest Territories, 23 per cent of Yukon, 14 per cent of Manitoba and 14 per cent of Saskatchewan. In urban areas, concentrations were highest in Saskatoon (nine per cent), Winnipeg and Regina (eight per cent each) and Thunder Bay (seven per cent). Only about a third of all Aboriginal people lived in metropolitan areas, compared to two-thirds of non-Aboriginals.

In 2000, the median income of Aboriginal households was 25 per cent lower than that of non-Aboriginal households *(see Figure 14)*.[34] The disparity was much wider in metropolitan areas with relatively high concentrations of Aboriginal people and in the Territories.

---

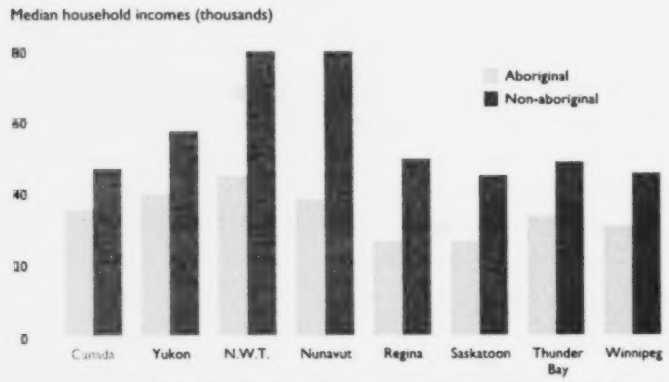
32 In 2001, 30.4 per cent of recent-immigrant households owned their homes, compared to 31.1 per cent in 1991. Inflation-adjusted median household incomes of recent immigrants in 2000 were about four per cent lower than in 1990.

33 Demographic factors are thought to have accounted for about half this growth, increased awareness of Aboriginal roots and more complete enumeration of reserves for the other half. Statistics Canada, *2001 Census: analysis series Aboriginal peoples of Canada: A demographic profile*, Statistics Canada Catalogue no. 96F0030XIE2001007 (Ottawa: Statistics Canada, 2003), p. 6.

34 Aboriginal households, defined on the basis of self-identity from the 2001 Census, include any family household in which at least one spouse, common-law partner or lone parent self-identified as Aboriginal; or at least 50 per cent of household members self-identified as Aboriginal; and any non-family household in which at least 50 per cent of the household members self-identified as Aboriginal.

FIGURE 14

MEDIAN INCOMES, ABORIGINAL AND NON-ABORIGINAL HOUSEHOLDS, CANADA, TERRITORIES, AND SELECTED URBAN CENTRES, 2000



Aboriginal households include any family household in which at least one spouse, common-law partner, or lone parent self-identified as Aboriginal, or at least 50 per cent of household members self-identified as Aboriginal; and any non-family household in which at least 50 per cent of the household members self-identified as Aboriginal.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

In Nunavut, median incomes of Aboriginal households were less than half those of non-Aboriginals.

The relatively low incomes of Aboriginal households find expression in low ownership rates and high rates of crowding and disrepair *(see Figure 15)*. In 2001, under half (44.6 per cent) of Aboriginal households were homeowners, compared to two-thirds of non-Aboriginal households.[35] One in seven Aboriginal households lived in crowded housing, more than double the rate for non-Aboriginals. One in five Aboriginal households lived in dwellings that were in need of major repair, two-and-a-half times the rate of disrepair for homes of non-Aboriginals.[36]

Crowding and disrepair are especially widespread in communities on reserves. In 2001, 40 per cent of Aboriginal households living in band housing resided in dwellings that needed major repairs, while around a quarter lived in crowded homes. These crowded Aboriginal households in band housing were very large—an average of 6.2 persons—well above the average size of all Aboriginal households (3.1) and of non-Aboriginal households (2.5).

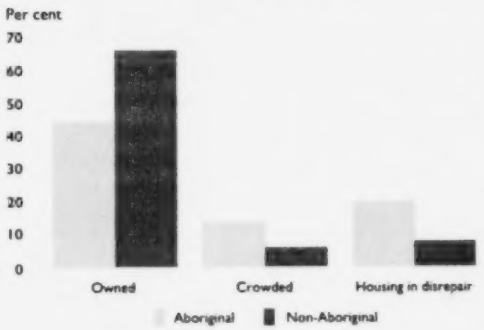
Housing choices shift as people age

Seniors are another fast-growing segment of the Canadian population. From 1991 to 2001, the number of people aged 65 or more in Canada increased at more than double the rate of the general population. Growth of this group will accelerate up to and beyond 2011 when the first baby boomers turn 65.

Although their incomes are lower than those of working-age households, many seniors have substantial equity in their homes. In 2001, 71.2 per cent of senior households owned their homes, five out of six of them mortgage-free.[37] Nearly a

FIGURE 15

OWNERSHIP, CROWDING AND DISREPAIR ABORIGINAL AND NON-ABORIGINAL HOUSEHOLDS, CANADA, 2001



Aboriginal households include any family household in which at least one spouse, common-law partner, or lone parent self-identified as Aboriginal, or at least 50 per cent of household members self-identified as Aboriginal; and any non-family household in which at least 50 per cent of the household members self-identified as Aboriginal.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

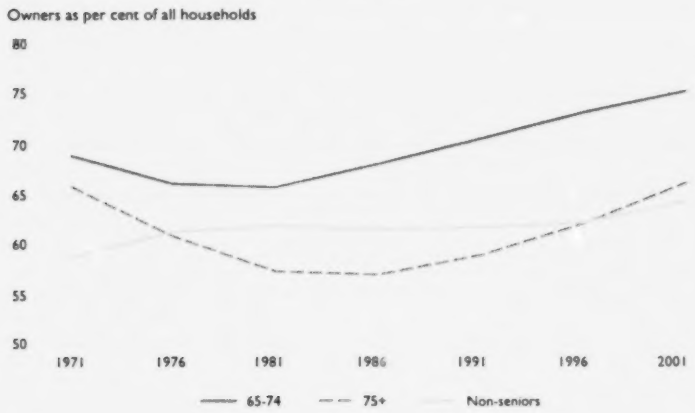
35 Although the fact that Aboriginal people are younger on average than non-Aboriginals accounts for some of the difference in ownership rates, the percentage of Aboriginal households owning their homes was lower than that of non-Aboriginals at every age.

36 Major repairs include such items as defective plumbing or wiring; and walls, floors, or ceilings requiring structural repairs.

37 Senior households are households whose primary maintainers are 65 or older. The primary household maintainer is the first person in the household listed on the Census form as being responsible for major household payments, such as rent or mortgage.

FIGURE 16

OWNERSHIP RATES, SENIOR AND NON-SENIOR HOUSEHOLDS, CANADA, 1971-2001



Age groups refer to the age of the primary household maintainer, the person responsible for major household payments, such as mortgage or rent.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

quarter of senior owners were individuals living alone in detached houses—many of them widowed and almost all of them mortgage-free.[38] In 1999, the median net worth of senior owners who did not have a mortgage was $310,000.

After dropping in the 1970s, the rate of homeownership among seniors rose substantially from 1981 to 2001, much more so than the rate for non-seniors *(see Figure 16)*. Growth of ownership housing options that appeal to seniors, such as condominiums, likely played a role in the strength of this increase. The number of owner-occupied condominiums in Canada almost quadrupled between 1981 and 2001.[39] In 2001, almost a third of condominium owners were households led by seniors.

It will be 25 years before the youngest of the baby boomers turns 65. As this demographic transition plays out, housing choices will shift, and household moves will reflect this changing demographic.

Every year, millions of Canadians move. Although young adults are by far the most mobile group, older Canadians are also mobile. In 2002, approximately a third of households led by 45- to 64-year-olds and 20 per cent of senior households had moved at least once in the previous six years.[40]

From 1997 to 2002, the number of senior households moving from owning to renting was more than double the number moving from renting to owning *(see Figure 17)*. In 2002, senior households who moved in the past six years were split almost evenly between those who owned and those who rented their previous dwellings.[41] Of those who owned their previous homes, 60 per cent purchased again, while over 80 per cent of movers who had been renters continued to rent. Condominiums were chosen by one in eight senior movers.[42]

Far more senior households moved away from single-detached houses than moved to detached homes from other dwelling types. A minority—close to 40 per cent—of senior movers who previously lived in single-detached dwellings moved to another detached home. Of this group, around 70 per cent moved to a house with only one floor. In contrast, the majority (80 per cent) of senior households leaving an apartment moved to another apartment.

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38 In 2001, 90 per cent of seniors living alone in single-detached houses that they owned did not have a mortgage.

39 The Census of Canada does not identify condominium units occupied by renters.

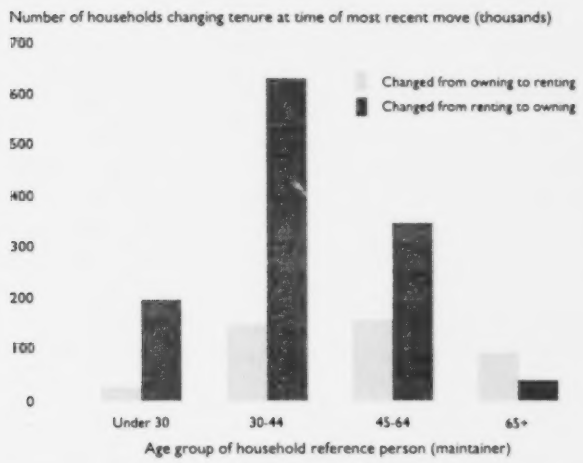
40 Mobility data are from Statistics Canada's 2002 *Survey of Household Spending*. Households considered to have moved are ones who moved in the previous six years. The *Survey of Household Spending* collects information about the most recent move of the household reference person, but not about any other moves the person may have made during the six-year period. The reference person (maintainer) is the person or one of the people in the household responsible for major household payments (such as rent or mortgage).

41 A small proportion of household maintainers (reference people) who moved in the last six years did not maintain their previous dwelling; for example, they might have lived with relatives or friends who owned or rented the dwelling.

42 Just over 10 per cent of those who moved to condominium developments rented their new homes.

FIGURE 17

TENURE CHANGES BY AGE GROUP, CANADA, 1997-2002



Households considered to have moved are ones who moved in the previous six years (from 1997 through 2002). Data describe only the most recent moves of households.

Source: CMHC, adapted from Statistics Canada (*Survey of Household Spending*)

These mobility patterns suggest that a gradual and modest shift away from single-detached homes towards smaller multiple dwellings, including condominiums and rental units, will occur as the baby boomers approach and then enter their retirement years. One factor limiting the extent of change is the attachment of seniors to their current homes. Around 80 per cent of senior households in 2002 (comprised of both owners and renters) had not moved at all in the previous six years. Senior homeowners were even less inclined to move: only one in nine had moved in the previous six years.

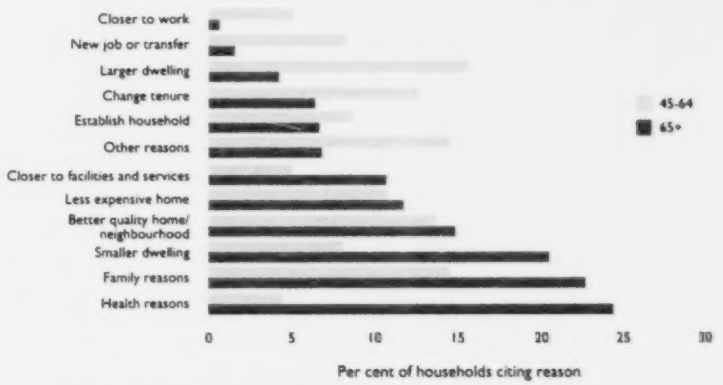
For some seniors, there may be an involuntary aspect to moving. Changing residence may become necessary to cope with diminished physical capabilities, declining health, or the death of a spouse. In 2002, the three reasons most commonly given by seniors for moving out of their previous dwellings were health, followed by family and the need or desire for a smaller dwelling *(see Figure 18)*.[43] In contrast, pre-retirement households showed more interest in increasing their living space. They cited needing or wanting a larger dwelling, family reasons, and wanting a better quality dwelling or neighbourhood as their top three reasons for moving.

Compared to senior households, pre-retirement households—those with maintainers aged 45 to 64—were more likely to switch from renting to owning when they moved. The number switching from renting to owning was more than double the number switching from owning to renting. In 2002, 40 per cent of pre-retirement households who moved out of rental units in the previous six years bought homes. In addition, three-quarters of pre-retirement movers who owned their previous homes purchased another. One in ten pre-retirement households who moved opted for a condominium.

Moves by pre-retirement households produced only a slight shift away from single-detached homes towards multiple dwellings. In contrast to seniors, who tended to occupy other dwelling types after leaving detached homes, a majority (about 60 per cent) of pre-retirement movers who left a single-detached house moved to another detached home.

FIGURE 18

REASONS FOR MOVING BY AGE GROUP, CANADA, 1997-2002



Percentages do not total 100 since households were allowed to give more than one reason for moving. Age describes the household reference person (maintainer).

Source: CMHC, adapted from Statistics Canada (*Survey of Household Spending*)

43 Respondents to the 2002 *Survey of Household Spending* were allowed to give multiple reasons for moving. The questionnaire provided four examples of family reasons (birth, death, marriage or divorce).

Current Market

DEVELOPMENTS

The Canadian housing market turned in another strong performance in 2004. About 456,500 existing homes changed hands through the Multiple Listing Service (MLS®) system, more than at any time in the past. Housing starts reached 233,400 units, the highest in 17 years.

Spending on renovations grew by an estimated 13 per cent, a pace exceeded only twice in the past 25 years—in 2001 and 1983.

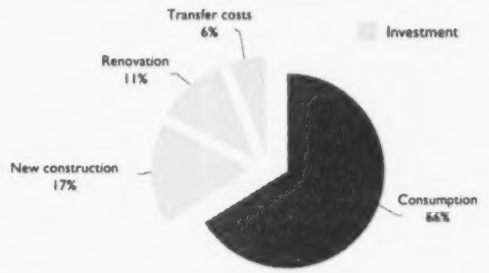
Rising homeownership contributed to the increase in the rental vacancy rate, with the average for 28 major urban centres across the country reaching 2.7 per cent, compared to 2.2 per cent in 2003.

The strong performance of the housing market in 2004 reflected favourable economic trends, such as robust employment growth and low mortgage rates.

Housing pulls up overall economic growth

Housing-related spending contributes significantly to economic growth. Spending grew at a rate of 7.7 per cent in current dollars in 2004, compared to growth of 5.7 per cent in the rest of the economy. In 2004, employment in the construction industry as a whole grew faster than in any other industry and accounted for close to a third of the increase in total employment.

FIGURE 19
NEW CONSTRUCTION HALF OF HOUSING-RELATED INVESTMENT, 2004



Housing-related spending in GDP, Canada, 2004
Source: CMHC, adapted from Statistics Canada (National Accounts)

Housing-related spending accounts for just under one-fifth of total economic activity in Canada. This includes ongoing consumption expenditures on items such as mortgage interest, property taxes, heating, electricity and water, insurance and maintenance, which represent about two-thirds of total spending.

Housing-related spending *(see Figure 19)* also includes investments by households, such as renovations[44] that improve the condition of their housing, the construction of new housing[45] and fees associated with the purchase of existing homes.[46] Housing-related investments

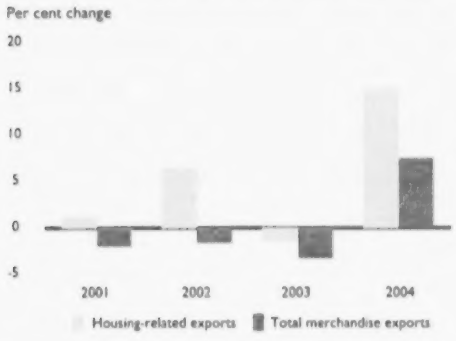
44 Most home repairs that do not increase the value of the home are excluded from major renovations and included in housing-related consumption.

45 Includes the value of the house but not the land. Acquisition costs such as land development charges, legal fees and permits are also included.

46 These fees include real estate commissions, land transfer taxes, appraisals and legal fees.

FIGURE 20

GROWTH IN HOUSING EXPORTS, CANADA, 2001-2004



Housing exports include only products which embody significant amounts of processing. Semi-processed lumber is excluded.

Source: CMHC, adapted from Statistics Canada (custom tabulations)

collectively represent about one-third of all housing-related spending. New construction accounts for about half of this investment spending, renovations about a third, while fees associated with existing home purchases account for the remainder *(see Figure 19)*.

Housing-related spending contributed $245 billion to the Canadian economy in 2004. Consumption, at about $162 billion, represented roughly 66 per cent of this total.

Housing exports add to economic growth

Canada sells a variety of construction materials to other countries. Therefore, a rise in housing-related spending in other countries can result in higher demand for Canadian-made construction materials, which contributes to economic growth in Canada. In 2004, exports of value-added, housing-related products reached $10.1 billion, up 15 per cent from the previous year *(see Figure 20)*. This represents around 2.5 per cent of total Canadian merchandise exports of $412 billion.

Processed wood products continued to show the strongest growth. Most other product categories were up as well, with metal and machinery products turning in particularly strong performances in 2004.

Ontario and Quebec accounted for more than 60 per cent of the exports of all housing-related building products. The main destination for Canadian exports was the U.S., with a 94 per cent share of the total. Japan was the second largest market (with a two per cent share), while the United Kingdom, China and Germany accounted for a combined share of about one per cent.

Existing home market activity begins to slow

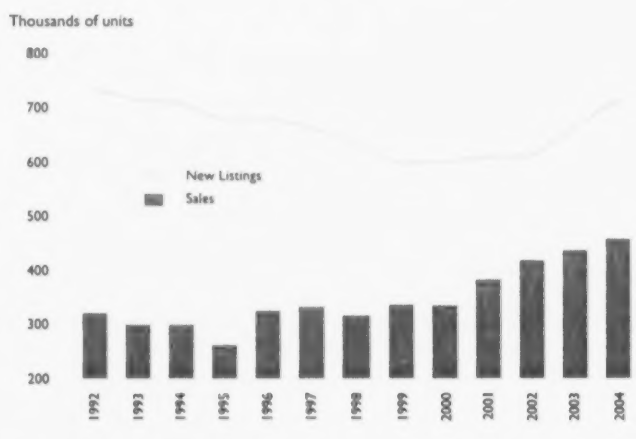
In 2004, growth of existing home sales through MLS® accelerated slightly to 4.8 per cent, bringing sales to a record of 456,500 dwellings *(see Figure 21)*. However, sales of existing homes showed signs that they had reached a peak in 2004.

Seasonally adjusted monthly MLS® sales rose sharply in the first quarter of 2004, reaching just over 41,000 units in March. Since then, MLS® sales have trended lower. MLS® sales in Ontario, which accounted for 43 per cent of national sales in 2004, displayed a similar pattern.

MLS® sales increased in all provinces in 2004 except Nova Scotia and Quebec, where sales were down 3.8 per cent in each province.

FIGURE 21

NEW LISTINGS UP FASTER THAN SALES



Annual Sales, New Listings, Canada, 1992-2004.

Source: Canadian Real Estate Association (Multiple Listing Service®)

FIGURE 22

SELLER'S MARKET CONDITIONS PERSIST

Seasonally-adjusted monthly sales-to-new-listings ratio, average MLS® price, Canada, 1988-2004.

Source: CMHC, adapted from Canadian Real Estate Association (Multiple Listing Service®)

National new listings grew at a significantly faster rate than sales in both 2003 and 2004. New listings grew in all provinces in 2004 except Prince Edward Island, where they declined by nine per cent. With new listings rising more rapidly than sales, the existing home market is moving toward more balanced conditions.

Seller's market supported strong house price increases in 2004

The sales-to-new-listings ratio is an indicator of the relative balance between demand and supply in the existing home market. As new listings increase relative to sales, buyers can be more selective when making a purchase and typically have more bargaining power. For Canada as a whole, a ratio between 0.35 and 0.50 is associated with a balanced market and modest growth in prices. Ratios above 0.50 are associated with more rapidly rising prices—a "seller's market."

With new listings rising faster than sales, the national sales-to-new-listings ratio has been on a downward trend since its peak in 2002. However, it remained well within seller's market territory and prices rose nearly 10 per cent for the third year in a row *(see Figure 22)*.

The threshold for classifying local market conditions as balanced or seller's markets using the sales-to-new-listings ratio varies from centre to centre. Nevertheless, in all major urban centres the ratio remained above 0.50 in 2004 and house prices continued to rise.

New construction highest since 1987

Housing starts increased by 6.9 per cent in 2004 to more than 233,400 units, their highest level since 1987. Starts increased in all provinces except New Brunswick, Nova Scotia and Ontario. In Montréal and Vancouver, growth in starts was strong, but in Toronto, Edmonton and Halifax starts decreased *(see Figure 23)*. Growth in housing starts in rural areas, at 9.5 per cent, outpaced growth in urban centres (6.5 per cent) in 2004. Rural starts, however, remained less than 13 per cent of total starts.

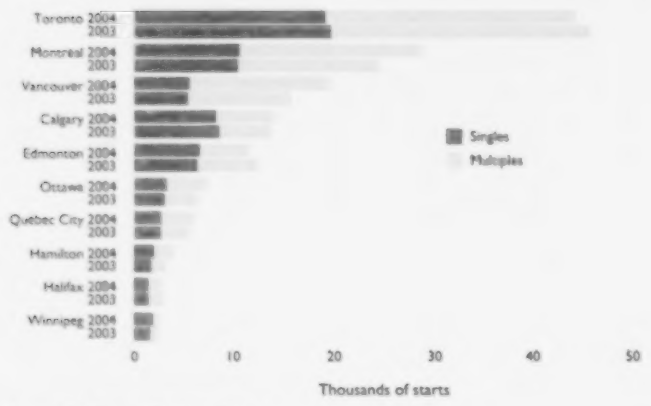
Starts of single-detached homes were up 4.8 per cent in 2004 as they recovered from a slight decline in 2003. Multiple starts, however, grew at a much stronger pace of 9.5 per cent in 2004. Multiple starts increased in half of the provinces in 2004, the strongest growth being in Newfoundland and Labrador (up 41.8 per cent to 640 units), British Columbia (up 35.5 per cent to 18,900 units), Saskatchewan (up 30.4 per cent to 1,600 units) and Quebec (up 28.2 per cent to 29,600 units). Stronger growth in multiple starts is typical when home prices are rising rapidly and reflects the fact that many buyers are looking for less expensive alternatives to single-detached homes.

Rising land prices contribute to higher house prices

The land component of the New Housing Price Index (NHPI) for single-detached houses rose three per cent in 2004, double the increase in 2003. The full index moved

FIGURE 23

HOUSING STARTS, SELECTED URBAN CENTRES, 2003-2004



Source: CMHC (Starts and Completions Survey)

up 5.5 per cent, the largest increase since 1989. Since the NHPI is based on the prices of new houses of constant quality,[47] it is intended as a measure of the appreciation in the value of new homes. Despite the rise in home values, the shift to houses of higher quality (such as better location, larger size, better material) that started in 2003 continued.

This can be seen by comparing the increase in the NHPI for single-detached homes to the average new single-detached house price, which increased by 9.5 per cent in 2004. The average new home price is a more general measure in which the quality of homes sold can change. The increase in average price of new homes was four percentage points higher than the increase in the NHPI (9.5 per cent compared to 5.5 per cent). This is an indication of how the rising quality of homes purchased contributes to the rising level of prices for new houses.

Among large urban centres, the increase in the average new home price ranged from a low of 3.6 per cent in Windsor to 18 per cent in Victoria *(see Figure 24)*.

Rising cost of building materials raised construction costs in 2004

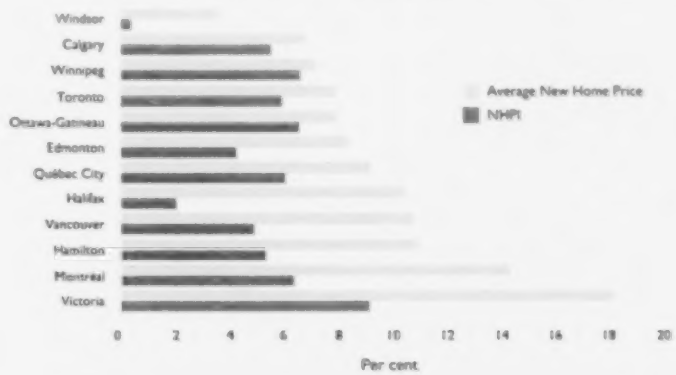
Following several years of modest increases, construction costs jumped in 2004 *(see Figure 25)*. On average, construction costs rose 6.6 per cent for single-detached housing and 6.5 per cent for apartments.

For single-detached houses, costs are measured by an index that includes the prices of 39 building materials. For apartments, the index is based on contractors' bids on an extensive range of subcontracts that reflect wage rates, prices of materials and profit margins.

Rising prices for wood products, particularly studs, plywood and particle-board, have contributed to the rising construction costs for single-detached homes. Wood prices are the most volatile component of the building materials index and price changes tend to relate to the pace of U.S. housing construction. U.S. housing starts remained at a relatively high level in 2004, keeping both demand and prices for wood products high.

FIGURE 24

GROWTH IN AVERAGE NEW HOME PRICE AND NEW HOUSE PRICE INDEX (NHPI), SELECTED URBAN CENTRES, 2004



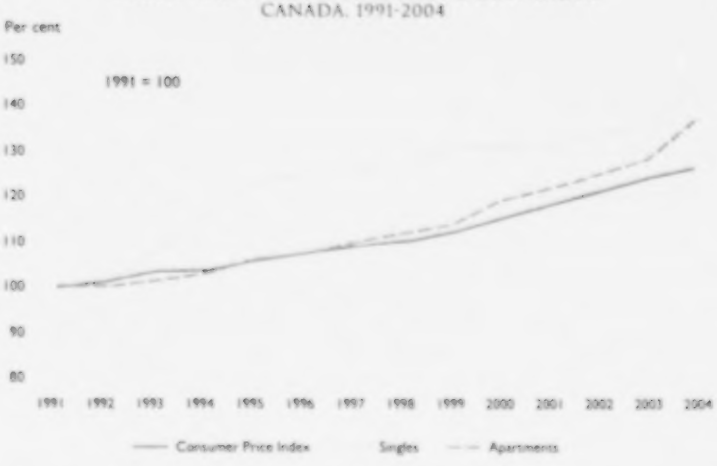
The New House Price Index measures prices of new houses of constant quality. The average new house price measures actual sale prices of new houses. The difference between these two measures reflects changes in the size and quality of new houses currently being sold.

Source: CMHC (Market Absorption Survey) and adapted from Statistics Canada (CANSIM II)

47 Home quality is defined in terms of location, size and set of features.

FIGURE 25

SINGLES AND APARTMENT BUILDING COST INDEX, CANADA, 1991-2004



Source: CMHC, adapted from Statistics Canada (CANSIM II) and custom tabulation

Rising prices for steel products were the main factor driving up construction costs for apartment buildings. Growing demand for steel in the U.S. and China helped push steel prices up 47 per cent in 2004.

Shortages of skilled labour, serviced lots concern many builders

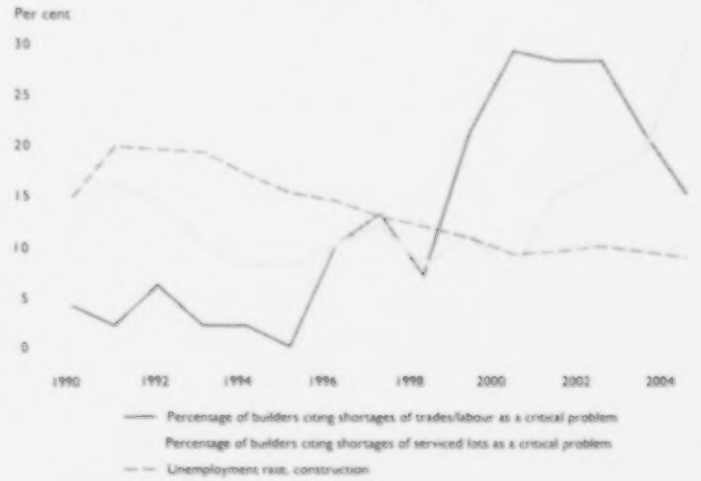
Hourly wages for construction workers were up 1.4 per cent in 2004, moderately lower than the inflation rate of 1.8 per cent.[48] However, the average weekly earnings of construction workers increased at a more robust pace of 2.4 per cent. When average weekly earnings grow more rapidly than hourly wages it suggests that construction workers are putting in longer hours.

The decline in unemployment in the construction industry over the 1990s had made shortages of labour and skilled tradespeople a critical problem for a rising share of builders. The construction unemployment rate has remained around 8.8 per cent since 2000. While the construction unemployment rate is higher than the economy-wide unemployment rate, it is low by historical standards. Statistics Canada's *Workplace and Employee Survey* confirms that construction labour is in short supply. According to that survey, the proportion of vacant positions that remain unfilled for more than four months tends to be higher in the construction industry than in almost all other industries.[49]

According to the Pulse Survey,[50] shortages of labour and serviced lots were the issues most often cited by builders as critical problems for 2004 *(see Figure 26)*. Builders also expressed concern over rising prices for serviced lots. Despite a decline in 2004, the percentage of builders who considered rising costs and shortages of construction labour and skilled tradespeople to be critical problems remained high.

FIGURE 26

CONSTRUCTION UNEMPLOYMENT, BUILDERS' CONCERNS, CANADA, 1990-2004



Source: CMHC, adapted from Statistics Canada (CANSIM II) and Canadian Home Builders Association (Pulse Survey)

48 CMHC, adapted from Statistics Canada (CANSIM II).

49 Statistics Canada, *Workplace and Employee Survey*, custom tabulation.

50 Canadian Home Builders' Association Pulse Survey, Winter 2004

Homebuilder retirement plans

Just as the population at large is aging as baby boomers approach retirement, owners and managers in the housing sector are aging. According to a recent survey of the home-building industry conducted by Clayton Research Associates for CMHC, more than 40 per cent of firms expect their principal owner or senior executives to retire within the next ten years. Only about one in five (22 per cent) homebuilder companies who expect their principals to retire within ten years have succession plans in place; almost half (48 per cent) do not have a plan and have no plans to put one together in the next two to three years. However, among those companies whose executives plan to retire within five years, about half (51 per cent) do have a succession plan in place and another 30 per cent are currently working on one or planning to develop one within the next two to three years *(see Figure 27)*.

According to the same study, almost 20 per cent of homebuilders stated that, with retirement, their business will shut down. However, among those planning to retire within 10 years, fewer (14 per cent) state that they will shut down. Among those with a succession plan in place, only five per cent expect to shut down but more than half (55 per cent) stated that a relative (usually a son or daughter) will take over.

Continued move to ownership raises rental vacancy rates

The economic environment continued to be conducive to homeownership, and the movement out of rental accommodation continued in 2004. As a result, the average rental apartment vacancy rate for 28 major urban centres[51] continued to rise, reaching 2.7 per cent compared to 2.2 per cent in 2003 *(see Figure 28)*.

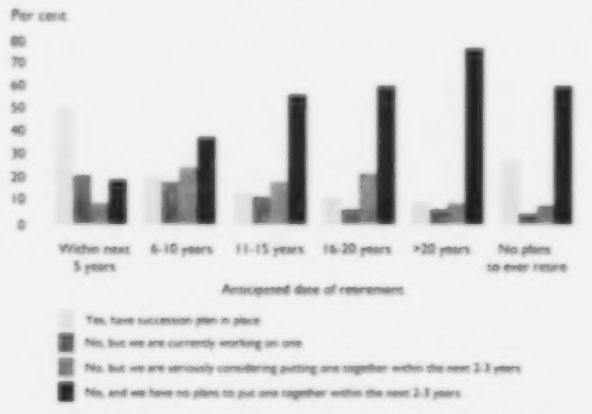
This was the third consecutive annual increase, yet in most of these markets, the vacancy rate remained below its average for the past decade. In 2004, vacancy rates ranged from a low of 0.6 per cent in Victoria to 8.8 per cent in Windsor. In Windsor, which experienced the largest increase, the vacancy rate rose by 4.5 percentage points to 8.8 per cent from 4.3 per cent in 2003. In most centres, the change in the vacancy rate was less than one percentage point.

Rents up moderately

Despite the increase in vacancy rates, the average monthly rent for a two-bedroom apartment in the 28 major urban centres was up 2.3 per cent to $745 in 2004, stronger than the 1.1 per cent increase in 2003. Rents for other apartment types increased at slower rates. Among the larger urban centres, Québec City experienced the sharpest increase, while in Calgary and Ottawa the average rent for a two-bedroom apartment was virtually unchanged *(see Figure 29)*.

FIGURE 27

HOME BUILDING INDUSTRY SUCCESSION PLAN, CANADA, 2004



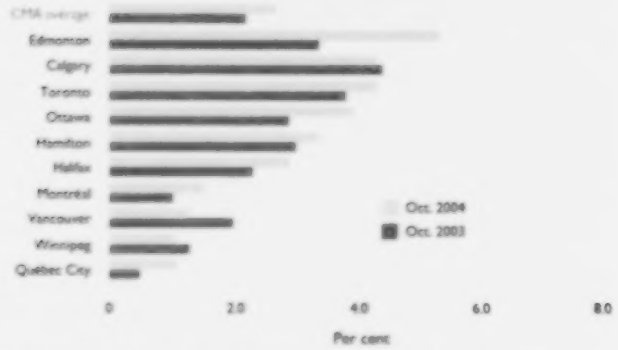
Source: Clayton Research Associates Inc., *Initial Demographic Analysis of the Home-Building Industry and Succession Planning*, (Ottawa, 2004).

51 In privately initiated structures with at least three units.

52 Completions are based on the 12 months ending September to coincide with the timing of the *Rental Market Survey* conducted in the first two weeks of October.

FIGURE 28

AVERAGE VACANCY RATES, CANADA AND SELECTED URBAN CENTRES, 2003-2004



Vacancy rates are for privately initiated apartment structures of three or more units. CMA average is the weighted average of the rates in the Census Metropolitan Areas.

Source: CMHC (Rental Market Survey)

vacancy rate in two ways—they are a relatively inexpensive entry to homeownership and are often purchased by renter households, and some investors buy condominium apartments and rent them out. These for-rent condominiums compete with units in the traditional rental market.

For example, in Toronto, the number of condominiums rented out by their owners increased by an estimated eight per cent to 34,900 units in 2004. This compares to about 304,700 apartments in the traditional rental market. The vacancy rate for rented condominiums in Toronto dropped to 0.8 per cent[54] in 2004, while in the traditional market it rose to a record 4.3 per cent. Rents for one- and two-bedroom condominium units were down marginally in 2004.[55]

Additional supply contributes to easing market conditions

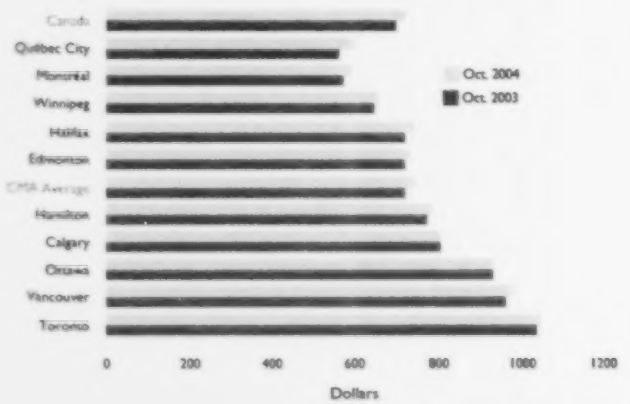
About 18,800 new rental apartments were completed during 2004[52] *(see Figure 30)*, up 10.8 per cent from 2003. While apartment completions were up, growth in 2004 slowed markedly from the 36.3 per cent increase in 2003.

At the end of 2004, the number of rental apartments under construction stood at about 16,600 units, which will add further to the supply of rental dwellings in 2005. Quebec continued to lead in rental construction, accounting for more than 47 per cent of Canada's rental apartment completions in 2004.

Condominium apartment completions totalled about 38,000 units in 2004,[53] up 4.8 per cent from 2003. Condominiums affect the rental market

FIGURE 29

AVERAGE RENT, TWO-BEDROOM APARTMENTS, CANADA AND SELECTED URBAN CENTRES, 2003-2004



Average rents are for privately initiated apartment structures of three units or more. The CMA average represents the weighted average of the rates in the Census Metropolitan Areas (urban areas with core populations of 100,000 or more) with Ottawa and Gatineau treated as two areas. The Canada average represents the average two-bedroom rent in urban centres with populations of 10,000 or more.

Source: CMHC (Rental Market Survey)

53 Completions are based on the 12 months ending September to coincide with the timing of the *Rental Market Survey* conducted in the first two weeks of October.

54 CMHC, *Condominium report*, 2004

55 Toronto Real Estate Board, MLS® Rental market report, January 2005.

FIGURE 30

RENTAL AND CONDOMINIUM APARTMENT COMPLETIONS, VACANCY RATE, CANADA, 1992-2004

Note: Completions are based on the 12 months ending September to coincide with the timing of the Rental Market Survey which occurs in October.

Source: CMHC, (*Starts and Completions Survey, Rental Market Survey*)

According to the *Survey of Household Spending*,[56] about a quarter of condominiums across the country are rented.[57]

Secondary rental market large and diverse

In addition to the conventional units tracked by CMHC's *Rental Market Survey* and *Starts and Completions Survey*, the rental market includes a variety of living arrangements, at times referred to collectively as the secondary rental market. Examples include single- and semi-detached houses, condominiums, duplexes, rooms and "accessory apartments." Accessory apartments are independent living spaces within a home. Basement apartments are a common example.

There is no direct count or survey of the secondary market. However, using the total number of renter households from the 2001 Census of Canada and subtracting from it the number of rental units in CMHC's rental market universe, it is possible to estimate the size of the secondary rental market in each Census Metropolitan Area (CMA). Figure 31 presents estimates for the seven largest Canadian rental markets.

The relative size of the secondary rental market varies from a high of 65 per cent in Abbottsford, British Columbia, to a low of 19 per cent in Sherbrooke, Quebec.

The Census data also allow a further breakdown of the secondary rental market into single, semi-detached and row units; condominium apartment units;[58] and duplex units *(see Figure 32)*.

FIGURE 31

SECONDARY RENTAL MARKET ESTIMATES, SELECTED URBAN CENTRES, 2001

	Total renter households (2001 Census)	Rental units in CMHC's 2001 RMS universe	Estimated size of secondary rental market	Share of secondary rental market within total rental market
Montréal	707,242	516,477	190,765	27%
Toronto	603,490	431,154	172,336	29%
Vancouver	296,730	144,353	152,377	51%
Québec	131,610	86,405	45,205	34%
Ottawa	121,118	89,367	31,751	26%
Edmonton	120,315	86,468	33,847	28%
Calgary	105,064	61,120	43,944	42%
All CMAs	2,875,110	1,950,817	924,293	32%

Source: CMHC (*Rental Market Survey*) and adapted from Statistics Canada (Census of Canada)

56 Statistics Canada, *Survey of Household Spending*, 2002

57 This result is in line with the results of CMHC's Greater Toronto Area condominium survey and a study of the Vancouver condominium market entitled *The impact of investors on the market for apartment condominiums in selected markets in the Vancouver CMA*, 2003. Both reports found similar percentages of investor-held condominiums.

58 Rented high-rise apartments other than those tracked by CMHC's *Rental Market Survey* (RMS) are assumed to be rented condominiums. In addition, 60 per cent of the rented low-rise apartments not tracked by the RMS are assumed to be rented condominiums.

FIGURE 32

PERCENTAGE OF RENTAL HOUSEHOLDS IN SECONDARY RENTAL MARKET DWELLING TYPES, SELECTED URBAN CENTRES, 2001

	Single, semi-detached and rowhouses	Condominium apartments	Duplex
Montréal	8%	9%	4%
Toronto	16%	8%	3%
Vancouver	21%	13%	12%
Québec	11%	10%	8%
Ottawa	18%	4%	4%
Edmonton	21%	3%	3%
Calgary	30%	3%	8%
All CMAs	17%	7%	6%

Rented high-rise apartments other than those tracked by CMHC's Rental Market Survey (RMS) are assumed to be rented condominiums. In addition, 60 per cent of the rented low-rise apartments not tracked by the RMS are assumed to be rented condominiums.

Source: CMHC (Rental Market Survey) and adapted from Statistics Canada (Census of Canada)

Rented singles, semi-detached and row houses have the largest share of units in the secondary rental market, accounting for 17 per cent of all rental units across all CMAs. Rented condominiums are the second largest in the secondary market, followed by duplexes.

The rental market has evolved over time. The arrival of condominiums in the housing market has made real estate accessible to small investors, who can purchase a unit and offer it for rent. The larger size of homes today and smaller households also make it more feasible to develop accessory apartments. It is likely, therefore, that these factors have increased the size of the secondary market over time.

Accessory apartments are often a source of affordable housing. According to a survey in the City of Toronto, tenants with incomes of less than $40,000 tended to rent accessory apartments more frequently than those in higher income groups.

Gap between cost of owning and renting widens

A simple comparison of trends in the rental and existing home markets found that the gap between the cost of renting and owning widened significantly in 2004. On average, rents were up about 1.9 per cent, while mortgage carrying costs[59] of a newly purchased existing home were up 8.1 per cent. This increase in mortgage carrying costs mostly reflects rising home prices.

According to the shelter component of the Consumer Price Index, shelter costs increased by 2.5 per cent in 2004. The shelter component of the CPI can be broken down into owned accommodation costs, rented accommodation costs and utility costs. The costs associated with utilities increased by 3.3 per cent in 2004; accommodation costs associated with homeownership rose 2.8 per cent while those associated with renting were up only 1.1 per cent *(see Figure 33)*.

Growth in renovation spending strengthened in 2004

Total renovations are a combination of alterations and improvements that raise the value of a home and repairs that maintain value. Spending on alterations and improvements reached about $28 billion in 2004, up 13.6 per cent. Alterations and improvements accounted for nearly three-quarters of total renovation spending, which was up 12.5 per cent.

FIGURE 33

SHELTER COSTS, CANADA, 2004

	Per cent change	Share
Owned accommodation	**2.8**	**59.7**
Insurance	10.9	4.4
Maintenance	2.0	6.8
Interest	0.1	20.0
Replacement	6.4	12.3
Property taxes	3.2	11.8
Other	5.3	4.4
Rented accommodation	**1.1**	**23.0**
Rent	1.0	22.3
Insurance	2.2	0.4
Maintenance	1.1	0.3
Utilities	**3.3**	**17.3**
Electricity	4.1	9.7
Water	4.2	1.9
Piped gas	-2.1	3.9
Fuel oil	10.0	1.8

Share indicates the relative importance of the item in overall shelter costs.

Source: CMHC, adapted from Statistics Canada (Consumer Price Index)

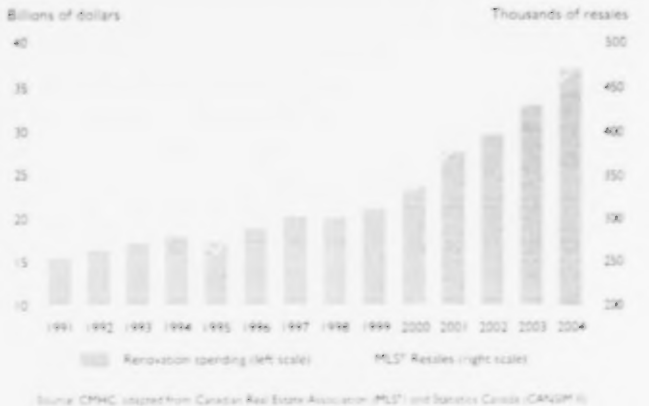
59 Based on the average MLS® price, average five-year mortgage rate and a 25-year amortization and 10 per cent down payment.

Strong job growth in recent years has generated steady income gains, which help finance renovation projects. The strong labour market has also given households the confidence to go ahead with renovations. As well, low mortgage rates over the past few years have made mortgage refinancing an attractive way to pay for renovations. Over half the proceeds from refinancing in 2004 were used for renovation-related activity,[6] making mortgage refinancing an important source of renovation financing.

Most homeowners renovate within three years of buying their homes, making sales of existing homes the principal driving force in renovation spending. Consequently, the record-breaking levels of sales of existing homes over the past several years have provided a solid foundation for renovation spending *(see Figure 34)*.

FIGURE 34

RENOVATIONS AND MLS® SALES, CANADA, 1991-2004



Source: CMHC, adapted from Canadian Real Estate Association (MLS®) and Statistics Canada (CANSIM II)

Consumer Intentions to Renovate

CMHC's *Consumer Intentions to Buy or Renovate a Home* survey, conducted in late 2004, asked householders in six major markets about their plans to renovate over the next 12 months.

FIGURE 35

HOMEOWNER INTENTIONS TO RENOVATE, SELECTED URBAN CENTRES, 2004

Average means weighted average for these six CMAs

Source: CMHC, Consumer Intentions to Buy or Renovate a Home

Households saying they have a high probability of renovating in the next 12 months are called "ready to renovate." Those "thinking about renovating" in the next 12 months have about a 50-50 chance of renovating in the next 12 months, while "possible renovators" have a lower likelihood of renovating.

The survey classes renovations as one of three major types.

- *Repairs and maintenance* includes projects such as painting and wallpapering, the replacement of insulation and repairs to driveways that keep the structure and equipment in "as new" appearance.
- *Replacement of existing or installation of new equipment* includes projects such as replacing or installing new heating or air conditioning equipment, plumbing fixtures or built-in appliances.
- *Remodelling and alteration* projects include remodelling rooms, adding or replacing doors and windows, adding eavestroughs, upgrading insulation, or renovating exterior walls.

Replacement of existing or installation of new equipment was the most popular type of planned renovation, accounting for more than half of all projects.

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[6] 2004 *CMHC Mortgage Consumer Survey*.

Strong job growth in recent years has generated steady income gains, which help finance renovation projects. The strong labour market has also given households the confidence to go ahead with renovations. As well, low mortgage rates over the past few years have made mortgage refinancing an attractive way to pay for renovations. Over half the proceeds from refinancing in 2004 were used for renovation-related activity,[60] making mortgage refinancing an important source of renovation financing.

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FIGURE 34

RENOVATIONS AND MLS® SALES, CANADA, 1991-2004

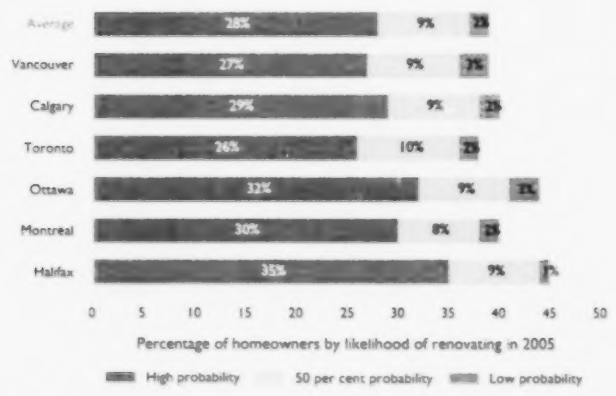
Source: CMHC, adapted from Canadian Real Estate Association (MLS®) and Statistics Canada (CANSIM II)

More Canadians expect to renovate

CMHC's *Consumer Intentions to Buy or Renovate a Home* survey, conducted in late 2004, asked householders in six major markets about their plans to renovate over the next 12 months.

FIGURE 35

HOMEOWNER INTENTIONS TO RENOVATE, SELECTED URBAN CENTRES, 2004



"Average" means weighted average for these six CMAs.

Source: CMHC (Consumer Intentions to Buy or Renovate a Home)

Households saying they have a high probability of renovating in the next 12 months are called "ready to renovate." Those "thinking about renovating" in the next 12 months have about a 50-50 chance of renovating in the next 12 months, while "possible renovators" have a lower likelihood of renovating.

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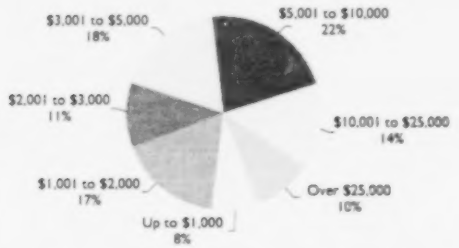
Replacement of existing or installation of new equipment was the most popular type of planned renovation, accounting for more than half of all projects.

60 2004 *CMHC Mortgage Consumer Survey*.

FIGURE 36

PERCENTAGE OF INTENDED RENOVATIONS BY PLANNED EXPENDITURE, AVERAGE FOR CANADA, 2004



"Average" means the weighted average, calculated from results for Vancouver, Calgary, Toronto, Ottawa, Montreal and Halifax.

Source: CMHC (*Consumer Intentions to Buy or Renovate a Home*)

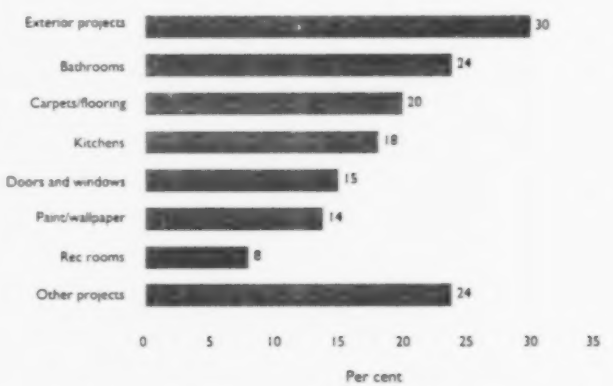
Across the six markets, 39 per cent of homeowners were planning to renovate between the end of 2004 and the end of 2005 *(see Figure 35)*. Over one-quarter (28 per cent) expressed strong intentions and were "ready to renovate," while nine per cent were "thinking about renovating" and two per cent were "possible renovators." Intentions to renovate are up compared to 2002, the year of the previous survey. At that time, 34 per cent of homeowners expressed an intention to renovate and only 23 per cent said they were "ready to renovate." Renovation intentions in 2004 were the strongest in Halifax (45 per cent) and Ottawa (44 per cent).

Close to half of the homeowners planning renovations (47 per cent) expected to spend more than $5,000 on their projects *(see Figure 36)*, including 24 per cent who planned to spend more than $10,000. Toronto, at 31 per cent, and Calgary, at 30 per cent, had the highest proportion of homeowners who planned to spend more than $10,000 on their renovations.

Nearly an equal share of homeowners planning repairs and maintenance expected to hire a skilled tradesperson or renovation contractor to do all the work (45 per cent), while 41 per cent expected to do all the work themselves. At the time of the survey, one in three of the homeowners planning to hire a professional had already contacted a contractor for information. In 2004, about 30 per cent of renovation projects involved exterior work *(see Figure 37)*. These projects include landscaping, exterior painting, construction of decks, patios, garages and fences and repairs to roofs and foundations. Other popular renovations include remodelling bathrooms and replacing carpets and flooring.

FIGURE 37

PERCENTAGE OF INTENDED RENOVATIONS BY PROJECT TYPE, AVERAGE FOR CANADA, 2004



"Average" means the weighted average, calculated from results for Vancouver, Calgary, Toronto, Ottawa, Montreal and Halifax.

Source: CMHC (*Consumer Intentions to Buy or Renovate a Home*)

Housing

FINANCE

Strong housing market leads mortgage credit and approvals growth

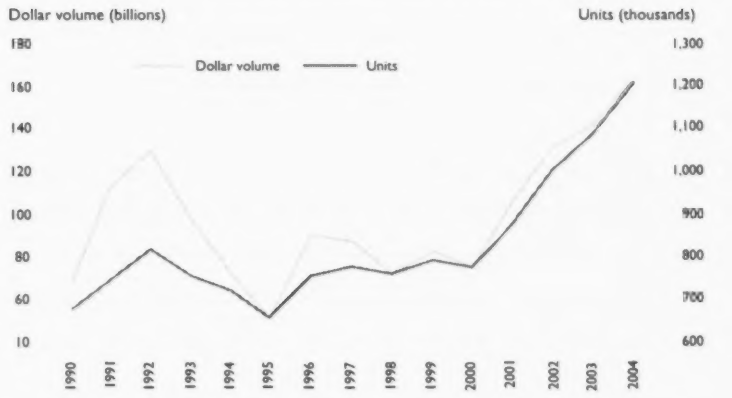
The robust housing markets of 2004, described in "Current Market Developments," were reflected in the strong growth of mortgage approvals and mortgage credit.

The total value of mortgage approvals in 2004 increased to $161 billion, up 17.1 per cent from 2003. The growth reflects a 9.8 per cent increase in loan approvals as well as a 6.7 per cent increase in the average loan amount in 2004 compared to 2003 *(see Figure 38).*

Outstanding mortgage credit grew to $568 billion by the end of 2004, up 9.6 per cent from 2003 *(see Figure 39).*

FIGURE 38

RESIDENTIAL MORTGAGE APPROVALS, CANADA, 1990-2004



Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisses populaires, other smaller institutions and privately-insured loans in some areas.

Source: CMHC (NHA loan approval system and *Conventional Lending Survey*)

Mortgage payment-to-income ratio near all-time low

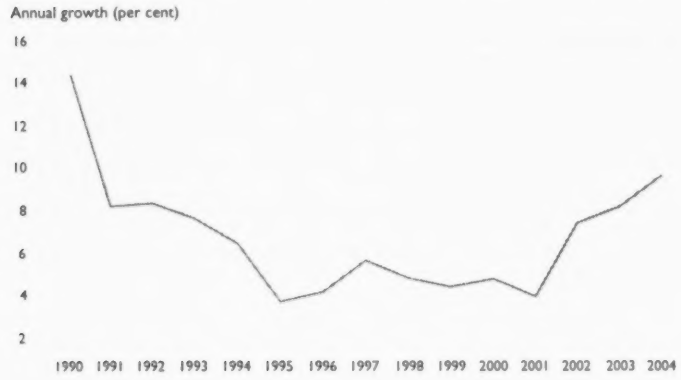
Canadian household debt has risen steadily over the past 30 years and its ratio relative to annual income has increased to over 100 per cent.

Looking at debt as a ratio to income, however, does not capture the impact of low interest rates on reducing the financing costs of debt. The mortgage payment-to-income ratio has been near an all-time low for several years.

Furthermore, much of the increase has been used to acquire assets. As a result, the net worth of persons and unincorporated businesses has increased steadily over the past 30 years, with an average growth rate of eight per cent per year. In 2004, mortgage debt accounted for 68.7 per cent of total household debt, down from the peak of 74.5 per cent in 1993 *(see Figure 40).* Given the large share of mortgage debt in total household debt, rising house prices for new buyers have contributed to the increased indebtedness of households.

FIGURE 39

RESIDENTIAL MORTGAGE CREDIT GROWTH, CANADA, 1990-2004



Source: Statistics Canada, Bank of Canada, CMHC

Mortgage rates make the difference

Despite recent increases in house prices, mortgage payments as a share of household income are currently very low by historical standards. This is shown by calculating the mortgage payment for a house purchased at the average MLS® price and financed at the posted five-year mortgage rate[61] and dividing it by the average household after-tax income to obtain the debt-service cost-to-income ratio.

In 2004, the average monthly mortgage payment was $1,337—two per cent lower than in 1989, the previous peak in inflation-adjusted existing home prices. However, from 1989 to 2004, household after-tax income increased by 55 per cent. As a result, the annual mortgage payment-to-income ratio dropped to 31 per cent in 2004 from over 49 per cent in 1989 *(see Figure 41)*.

At current house prices and after-tax income levels, the five-year mortgage rate would have to climb to nearly 13 per cent, more than double the rate of 6.1 per cent at the end of 2004, to push the mortgage payment-to-income ratio back up to the 1989 level.

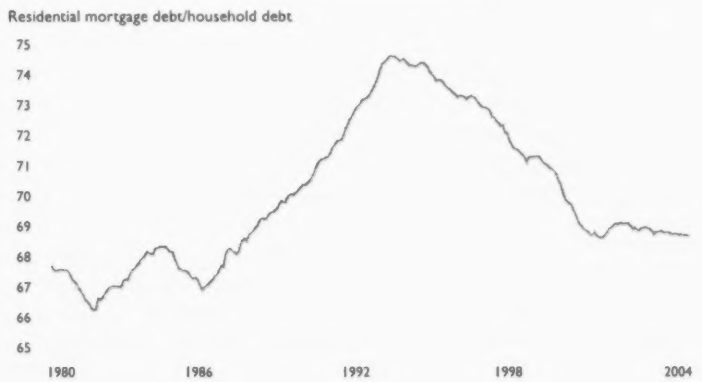
As a result, low mortgage rates have offset much of the impact of rising house prices on mortgage debt service costs. The cost of a mortgage as a percentage of after-tax income has been relatively stable in recent years and well below the level of the early 1990s. In other words, Canadians' ability to pay has kept up with the increase in house prices.

Variable rate mortgages increase in popularity

Forty-five per cent of respondents in the September 2004 FIRM[62] survey stated that their current mortgage rate was less than five per cent, up significantly from about 30 per cent who reported the same a year earlier. Indeed, 63 per cent of respondents who took out or renewed their mortgage within the six months immediately prior to the survey date obtained a mortgage rate below

FIGURE 40

RESIDENTIAL MORTGAGES ACCOUNT FOR LESS THAN 69 PER CENT OF HOUSEHOLD DEBT



Source: Statistics Canada, Bank of Canada, CMHC

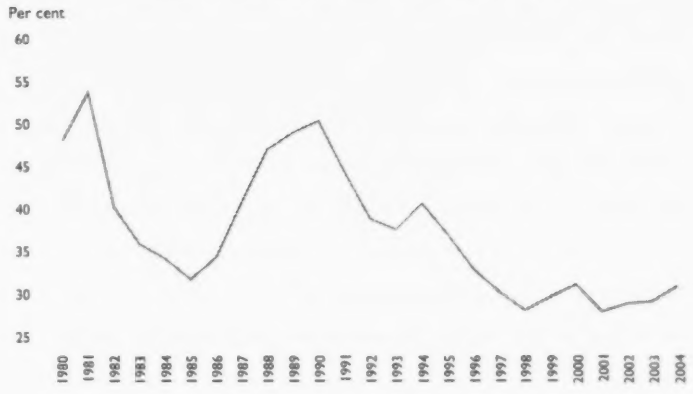
61 The mortgage payment calculation assumes that the buyer made a 10 per cent down payment.

62 The *Financial Industry Research Monitor* (FIRM) is a quarterly survey of consumer attitudes and intentions by Clayton Research and Ipsos-NPD.

five per cent. At the date of the survey, most mortgage customers had a five-year term, while only 14 per cent had a term over five years. Variable-rate mortgages continue to increase in popularity, with 29 per cent of mortgage customers choosing them, up significantly from just 11 per cent three years earlier.

FIGURE 41

ANNUAL MORTGAGE PAYMENT AS A PERCENTAGE OF ANNUAL AVERAGE INCOME, CANADA, 1980-2004



Annual mortgage payment based on 90 per cent mortgage financed, amortized over 25 years for a five-year term.

Annual average income based on after-tax income of economic families.

Source: CREA, Statistics Canada, CMHC

CMHC's *Mortgage Consumer Survey* and focus group findings

The 2004 CMHC *Mortgage Consumer Survey* is a unique perspective into the attitudes and behaviours of Canadian mortgage consumers. The survey examined a variety of topics such as how mortgage consumers gather information and how they behave when acquiring or renewing a mortgage.

According to the survey:

- Most mortgage consumers relied on personal information sources such as their present lender, family and friends, real estate agents, and mortgage brokers when looking for mortgage information. Just under half of purchasers used the Internet for finding information, while 35 per cent of refinancers and 31 per cent of renewers used the Internet.
- Nearly two-thirds of purchasers checked competitive lending rates; 42 per cent checked services offered by different lenders and 40 per cent said they shopped around to get several proposals. Two-thirds of purchasers also obtained a pre-approved mortgage.
- About half of mortgage consumers obtained other financial products and services such as lines of credit or disability, life or property insurance when obtaining their mortgage.
- Consumers reported that the mortgage rate was their main consideration in selecting a mortgage lender. Flexibility in mortgage terms, such as a pre-payment option, was also a key consideration.
- In 2004, only 14 per cent of homeowners switched lenders when renewing their mortgage, even though 35 per cent had expressed an intention to do so. First-time buyers showed less loyalty when looking for a mortgage—46 per cent obtained their mortgage from a lending institution other than the one they dealt with before buying a home.
- About one in four consumers (26 per cent) buying a home used a mortgage broker. First-time buyers showed a greater tendency to use brokers, with almost one in three (32 per cent) relying on a broker. Homeowners renewing or refinancing a mortgage were less likely to use a mortgage broker. Within these segments, brokers handled 15 per cent of homes that were refinanced and six per cent of mortgage renewals.
- In 2004, 56 per cent of mortgage consumers had positive attitudes about Canada's mortgage industry, saying that the industry functions efficiently and effectively. Another 27 per cent were neutral and 16 per cent were somewhat negative. Over two-thirds agreed that mortgage professionals acted responsibly and ethically, while just one in ten disagreed.

To gain further insights into consumer behaviour, qualitative research findings from focus group discussions with mortgage consumers supplemented the 2004 CMHC *Mortgage Consumer Survey*.

Focus group highlights show:

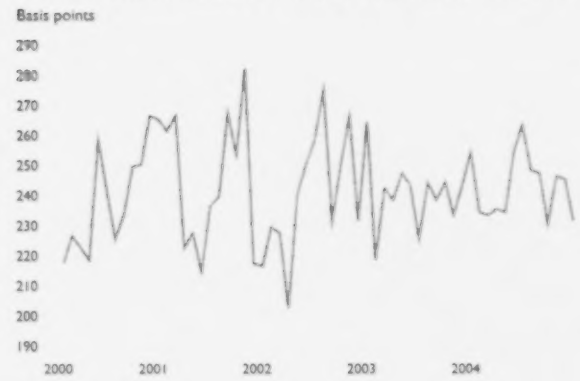
- Some consumers, particularly first-time buyers, perceive getting a mortgage as a complex process involving anxiety and stress. Focus group participants repeatedly said that they had difficulty understanding the technical information and jargon used by mortgage professionals and were often left bewildered.
- The Internet and newspapers were seen as convenient ways to find facts about mortgages. Consumers used both sources to research and compare information about rates and features. Friends and acquaintances with previous mortgage experience played an important role in providing guidance and helping to compensate for perceived lack of knowledge about mortgages.
- The 2004 CMHC *Mortgage Consumer Survey* clearly showed that mortgage rates were the most important factor in selecting a lender. For some focus group participants a competitive "financial package," which included the total cost and benefits of the mortgage, drove the purchase decision. These people tended to make a more rational business decision and were willing to trade off convenience and relationships with their current lender to lower their mortgage costs.
- Flexibility and terms ranked second in importance only to rates in selecting a lender. Focus group participants said that they saw flexibility as a way to lessen the anxiety of making a stressful mortgage decision. The less participants felt bound by their decision and the more flexibility they had with their mortgage, the more comfortable they tended to be with their choices.

Mortgage rates continued to trend downwards

Posted mortgage rates have been roughly 240 basis points higher than bond yields in recent years (100 basis points equals one percentage point) *(see Figure 42)*. As a result, lenders have continued to offer discounts ranging from 50 to 150 basis points below their posted mortgage rates. Mortgage rates in 2004 remained near historic lows, making homeownership financing very affordable.

FIGURE 42

POSTED FIVE-YEAR MORTGAGE RATES MINUS 5-YEAR GOVERNMENT OF CANADA BOND YIELDS, 2000-2004



Data represented include information up to December 31, 2004.

Source: Statistics Canada, Bank of Canada, CMHC

The five-year posted mortgage rate *(see Figure 43)* averaged 6.23 per cent in 2004, down slightly from 6.39 per cent in 2003.

Short-term mortgage rates move in tandem with the prime lending rate while mid- and long-term mortgage rates vary in response to the cost of raising funds in the bond markets.

Much of the monetary tightening in 2004 did not come in the form of increases in the Bank of Canada's overnight lending rate. Indeed, the increases of 25 basis points in September and October merely reversed two of the three 25-basis-point decreases in the first half of the year.

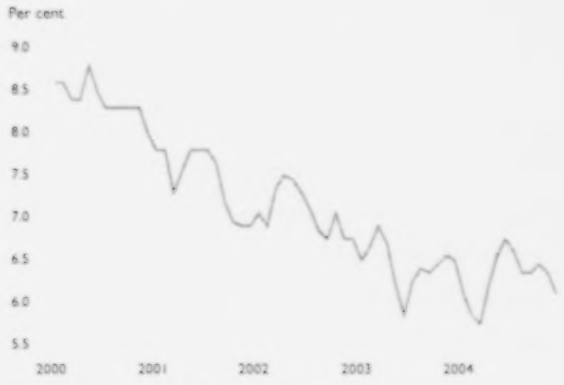
The removal of monetary stimulus was instead achieved through the strong appreciation of the Canadian dollar. On an annual average basis, the Canadian dollar appreciated by eight per cent in 2004 after rising by 12 per cent in 2003. The rapid rise in the dollar resulted in a tightening of monetary conditions, which allowed short-term interest rates to remain low.

Mortgage-backed securities on the rise

The *National Housing Act* Mortgage-Backed Securities Program (NHA MBS) helps give investors the opportunity to make a secure investment in insured Canadian residential mortgages. Under this program, CMHC guarantees timely payment of principal and interest to the investor.

FIGURE 43

POSTED FIVE-YEAR MORTGAGE RATE, CANADA, 2000-2004



Data represented include information up to December 31, 2004.

Source: Statistics Canada, Bank of Canada, CMHC

Mortgage-backed securities (MBS) are an indirect way to fund mortgages and represent an investment in an undivided interest in a pool of residential mortgages. In this way, mortgage securitization provides a competitive, secondary-mortgage market system for housing finance. The net result is that securitization places downward pressure on mortgage rates by converting the supply of private investor funds to mortgages.

The principal and interest paid by borrowers on the mortgages in an NHA MBS pool is paid to investors on a monthly basis. These payments can vary from month to month if, for example, borrowers make unscheduled payments, such as advance payments of principal on a mortgage. Because of this prepayment risk, many investors prefer a bond-type of product.

For this reason, CMHC introduced Canada Mortgage Bonds (CMB) in June 2001. CMB are semi-annual coupon, fixed-or floating-rate bonds and pay principal at maturity. Like NHA MBS, CMB carry the full guarantee of the Government of Canada.

NHA MBS issuance totalled $30 billion in 2004, an increase of 9.5 per cent from 2003. Of this total, $19.3 billion was issued for the CMB program, while the remainder was issued directly to investors in the secondary market. At the end of December, total issuance of mortgage-backed securities (MBS) stood at more than $37.7 billion, about 15 per cent higher than in 2003. The outstanding amount of CMB guaranteed by CMHC rose to $54.5 billion in 2004.

Medium-term issues remain most common

Over 85 per cent of the dollar amount of MBS issuances in the first nine months of 2004 were for four- to five-year terms. Longer-term issues accounted for one per cent, while shorter terms accounted for about 14 per cent. The five-year term structure remains most popular for issuers, simply because it closely matches borrower preference for five-year mortgages.

In 2004, chartered banks accounted for 87.4 per cent of the dollar amount of new NHA MBS issues, followed by trust companies at seven per cent.

Total MBS outstanding reached $78.6 billion by the end of December 2004. NHA MBS accounted for 12.1 per cent of the total residential credit outstanding in Canada in 2004, up from 9.6 per cent in 2003.

Variable-rate and adjustable-rate MBS

Variable-rate mortgages and, to a lesser extent, adjustable-rate mortgages have gained considerable popularity with homebuyers in the last few years.

A key reason is the trend to lower mortgage rates over the last four years and, in particular, prime lending rates that have been at, or near, historic lows. Very low short-term rates, combined with attractive discounts, have been a major draw for mortgage consumers.

A variable-rate mortgage payment generally remains constant over the term, while the interest rate varies based on the prime rate or a related money-market rate. An adjustable-rate mortgage payment fluctuates with interest rate movements.

In response to the growing interest in these types of mortgages, CMHC has introduced new MBS products to facilitate their pooling: the 985 mortgage pool for variable-rate mortgages and the 980 pool (introduced in June, 2005) for adjustable-rate mortgages. The growth in variable-rate and adjustable-rate mortgages has been managed for the most part on lender balance sheets. However, these new pool types will facilitate the securitization of these mortgages into highly rated NHA MBS, offering lenders a new source of liquidity and low-cost funding through the secondary market.

Why there is no housing bubble in Canada

A bubble occurs when an asset experiences price increases well in excess of historical norms for a sustained period of time, based mainly on the speculation that the asset can be sold in the future at a higher price to someone who will buy it for the same reason. Although house prices have risen in recent years, Canadian housing markets are grounded in solid economic fundamentals.

In 2003, the inflation-adjusted average MLS® price surpassed its previous peak

House prices have climbed significantly in recent years and the average real (inflation-adjusted) MLS® selling price for Canada has surpassed the previous peak established 14 years earlier. However, surpassing the previous peak in real house prices does not mean that there is a house price bubble. There are several reasons for this.

First, outside of Toronto and a few other select centres in southern Ontario, there was no evidence of a price bubble in housing markets in the late 1980s. Therefore, the previous peak in real prices for Canada is not a threshold beyond which we have a house price bubble.

Second, the bubble in Toronto inflated over a four-year period from 1986 to 1990, when house prices rose rapidly in spite of deteriorating demand from homebuyers and a rising supply of homes for sale. Today, the rise in home prices reflects solid market fundamentals across the country.

Third, part of the recent increase in house prices is due to an increase in the quality of houses sold, as well as a higher degree of synchronization in housing markets than in the past. In the late 1980s, relatively low real house prices in some provinces dampened the rise in the Canada-wide average house price. Today, the synchronized rise in prices means that all regions of the country are contributing to the rise in the average house price for Canada.

Mortgage rates make the difference

Despite recent increases in house prices, the mortgage payment burden on household budgets is currently very low. To measure this burden, the mortgage payment on the average-priced house, financed at the posted five-year mortgage rate, is divided by the level of average household after-tax income.

In 2004, the average monthly mortgage payment was $1,337—two per cent lower than in 1989, the previous peak in inflation-adjusted existing home prices. However, from 1989 to 2004, household after-tax income increased by 55 per cent. As a result, the annual mortgage payment-to-income ratio dropped to 31 per cent in 2004 from over 49 per cent in 1989.

At current house prices and after-tax income levels, the five-year mortgage rate would have to climb to nearly 13 per cent, more than double the 2004 five-year mortgage rate, to push the mortgage payment-to-income ratio back up to the 1989 level. Thus, historically low mortgage rates have offset much of the impact of rising house prices. As a result, the annual mortgage cost as a percentage of after-tax income has been relatively stable in recent years and well below its level in the early 1990s.

No housing bubble for Canada

Canada's housing markets have been vibrant and their expansion created upward pressure on prices. However, rising prices are being supported by solid fundamentals. Canadians' ability to pay has kept up with the rise in house prices and, given the low inflation environment, the financial risk from future mortgage rate increases is very low.

Focus on

ABORIGINAL HOUSING

Introduction

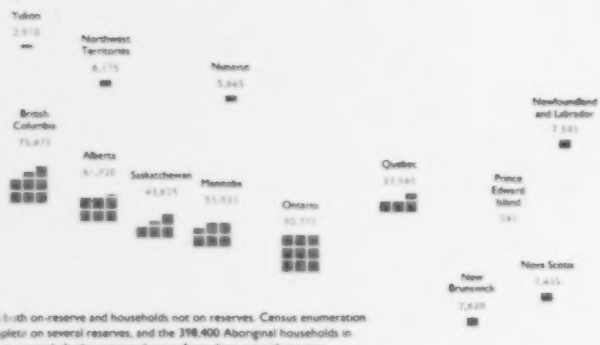
Aboriginal households face tremendous challenges in accessing adequate housing. The challenges include low incomes, unemployment, regional characteristics such as remoteness and harsh climate conditions that contribute to high costs of construction in the North, and legal barriers to homeownership on reserves.

A limited supply of affordable housing results in unhealthy, overcrowded conditions and accelerates depreciation of the housing stock—a process made worse by the severe northern climate.

As a result, housing conditions for many Aboriginal households do not compare to those of the Canadian population in general.

FIGURE 44

DISTRIBUTION OF ABORIGINAL HOUSEHOLDS BY PROVINCE AND TERRITORY, 2001



Includes both on-reserve and households not on reserves. Census enumeration is incomplete on several reserves, and the 398,400 Aboriginal households in 2001 does not include the estimated count from these missed reserves.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

This feature is an in-depth look at Aboriginal households and housing conditions. It examines some of the challenges to improving those conditions; looks at recent government–Aboriginal consultations on the problems; and, describes some Aboriginal initiatives to address the challenges.

Aboriginal population close to one million

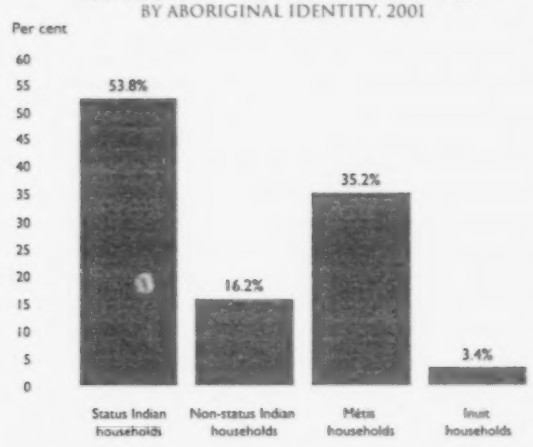
The Aboriginal population in Canada is growing at a faster rate and is younger than the overall population. In 2001, the Aboriginal population had reached nearly one million and had grown by 22 per cent since 1996.[63] In the same five years, Canada's population as a whole grew by just four per cent, and the non-Aboriginal population grew by a mere 3.4 per cent.

Statisticians and demographers believe about half the increase is the result of increased awareness of Aboriginal roots and more complete enumeration of on-reserve populations. The other half is due to demographic factors, specifically the high birthrate of the Aboriginal population, which is 1.5 times higher than the general Canadian average.

63 Demographic factors are thought to have accounted for about half this growth, increased awareness of Aboriginal roots and more complete enumeration of reserves for the other half. Statistics Canada, *2001 Census: analysis series Aboriginal peoples of Canada: A demographic profile*, Statistics Canada Catalogue no. 96F0030XIE2001007 (Ottawa: Statistics Canada, 2003), p. 6.

FIGURE 45

BREAKDOWN OF ABORIGINAL HOUSEHOLDS BY ABORIGINAL IDENTITY, 2001



Note: Percentages do not total 100 per cent since households that reported more than one Aboriginal identity were counted for each identity group.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

The Aboriginal population is also much younger than the non-Aboriginal population, with a median age of 24.7 years, compared to 37.7 years for non-Aboriginals. The increasing size and young average age of the Aboriginal population contribute to the increase in new households, which creates the need for more housing.

Aboriginal households total 3.4 per cent of all households

In 2001, Aboriginal households made up 3.4 per cent of all households in Canada *(see Figure 44 for geographic household distribution)*. Of the 398,400[64] Aboriginal households counted in the 2001 Census of Canada, 73,315—nearly 20 per cent—were living on-reserve.

Aboriginal households in Canada are made up of three groups: North American Indians (Status and Non-status Indians), Métis and Inuit. North American Indians, also referred to as First Nations peoples, were the largest group, accounting for 70 per cent of all households (54 per cent Status Indian and 16 per cent Non-status Indian—*see Figure 45*). Métis households accounted for 35 per cent of the total and Inuit for four per cent. (The percentages do not total 100 since households that reported more than one Aboriginal identity were counted for each identity group.)

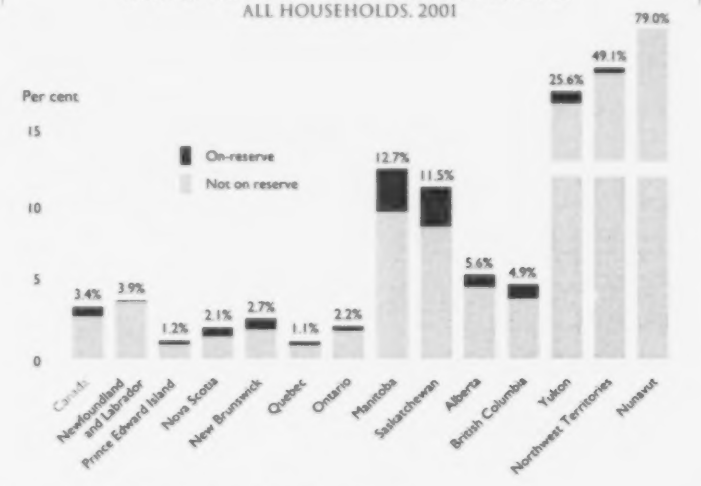
Ontario (90,780), British Columbia (75,880), and Alberta (61,715) had the largest number of Aboriginal households. The highest proportions of Aboriginal households outside the territories were in the Prairie provinces of Manitoba (12.7 per cent) and Saskatchewan (11.5 per cent). Within the Territories, the highest proportion was in Nunavut (79 per cent), followed by the Northwest Territories (49.1 per cent) *(see Figure 46)*.

The cities of Winnipeg (24,955), Vancouver (18,300) and Edmonton (17,830) had the highest number of off-reserve First Nations households and Métis and Inuit households.

While most Aboriginal households not living on reserves (61 per cent) lived in urban areas, this was far below the comparable figure for non-Aboriginal households (84 per cent). Around 19 per cent of Aboriginal households lived in rural areas and just one per cent on farms.

FIGURE 46

ABORIGINAL HOUSEHOLDS AS A PERCENTAGE OF ALL HOUSEHOLDS, 2001



Source: CMHC, adapted from Statistics Canada (Census of Canada)

64 In 2001, Census enumeration was incomplete on 30 reserves with an estimated population of 31,000. The 398,400 Aboriginal households does not include the estimated count from these incompletely enumerated reserves.

Housing conditions outside reserves

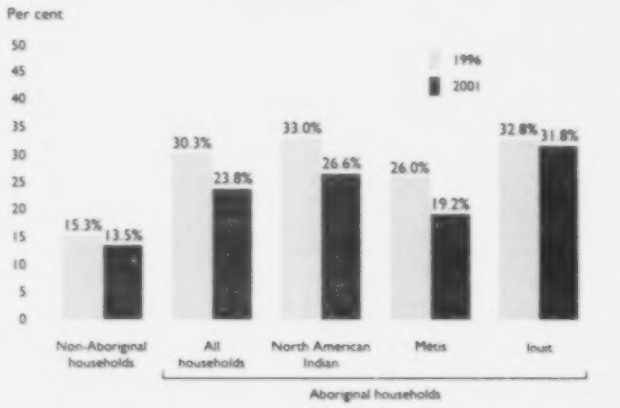
In 2001, nearly 24 per cent of off-reserve First Nations households and Métis and Inuit households were in core housing need, compared to 13.5 per cent of non-Aboriginal households.

While this percentage of households in core housing need remains unacceptably high, and well above that of non-Aboriginal households, it is declining and the gap is narrowing.

Between 1996 and 2001, the decline in the percentage of Aboriginal households in core need (from 30.3 per cent to 23.8 per cent) exceeded the drop for non-Aboriginal households (15.3 per cent to 13.5 per cent) *(see Figure 47)*. This decline occurred in all types of Aboriginal households, but was least evident in Inuit households where the decline was marginal (to 31.8 per cent from 32.8 per cent).

FIGURE 47

INCIDENCE OF CORE HOUSING NEED OUTSIDE RESERVES, 1996-2001



Aboriginal total does not include on-reserve households.

Source: CMHC (census-based housing indicators and data, revised 2005)

On average, annual Aboriginal household incomes lag significantly behind those of non-Aboriginal households, making affordability a primary housing problem for many. In 2001, 19 per cent of Aboriginal households not living on reserves had affordability problems and were in core housing need, compared to just 12 per cent of non-Aboriginal households.

Aboriginal households are also much more likely to live in housing that falls below adequacy and suitability standards than non-Aboriginal households. In 2001, six per cent of Aboriginal households lived in inadequate homes (dwellings that required major repairs and were in core housing need), compared to just two per cent of non-Aboriginal households. Similarly, in terms of

Definition of Aboriginal population and Aboriginal households

There are various definitions of the Aboriginal population. This feature uses the "identity concept." It is based on a direct Census question that asks respondents if they are Aboriginal. The person is also considered Aboriginal if they answer "yes" to either one of two other Census questions, namely;
i) "is the person a member of an Indian Band/First Nation", or
ii) "is the person a Treaty Indian or a Registered Indian as defined by the *Indian Act* of Canada".

For the purpose of analyzing Aboriginal housing conditions, CMHC defines an Aboriginal household as a household in which at least one spouse, common-law partner or a lone parent self-identifies as Indian (Status or Non-status), Métis, Inuit; or, at least 50 per cent of household members self-identify as belonging to one of these Aboriginal groups.

Core housing need

A household is in core housing need if it falls below one or more of the adequacy, suitability or affordability standards and cannot find local rental housing to meet all three standards. For a detailed definition of these terms, see the chapter entitled "Housing Affordability."

On-reserve, most households pay their housing costs through Band housing arrangements and shelter costs are not available. Thus, the total number of households with an affordability problem cannot be determined. However, other standards can be examined.

Core housing need estimates revised

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace the core housing need statistics in previous editions.

During verification of ongoing research, CMHC found that some households had been misclassified when Statistics Canada applied core housing need to both the 1996 and 2001 Censuses.

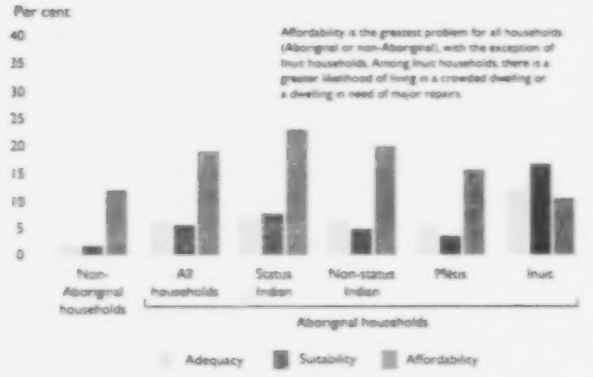
The misclassification overestimated core housing need for both the 1996 and 2001 Censuses.

The misclassification does not affect 1991 Census data.

There is more information about the effect of the misclassification at www.cmhc-schl.gc.ca/en/about/whwedo/whwedo_021.cfm

FIGURE 48

SHARE OF ABORIGINAL HOUSEHOLDS (NOT LIVING ON RESERVES) IN CORE HOUSING NEED AND BELOW HOUSING STANDARDS, 2001



Aboriginal total does not include on-reserve households.

Source: CMHC, (Census-based housing indicators and data, revised 2005)

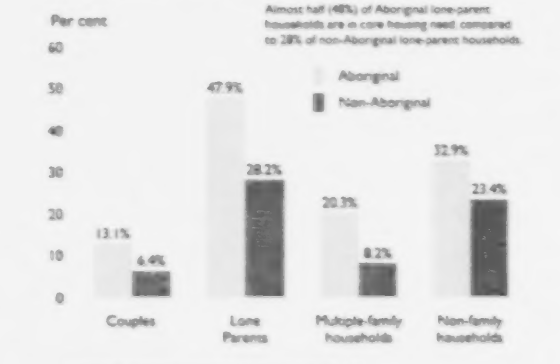
suitability, close to six per cent of Aboriginal households lived in crowded conditions and were in core housing need, compared to just under two per cent of non-Aboriginal households *(see Figure 48)*.

Housing conditions also vary among households of different Aboriginal identity.[65] In Inuit households, which account for about four per cent of all Aboriginal households, the most prevalent problem was suitability (crowding). For all other groups, affordability was the principal problem, with the highest incidence being among Status Indians.

A large number of Aboriginal families are raising their children in strained circumstances. Over one-third of Aboriginal households in core housing need are lone-parent households, almost twice the proportion of non-Aboriginal households. Compared to the non-Aboriginal population, lone-parent households are more prevalent among the Aboriginal population, and a higher percentage of these households find themselves in core housing need. In fact, almost half of Aboriginal lone-parent households are in core housing need *(see Figure 49)*.

FIGURE 49

INCIDENCE OF CORE HOUSING NEED BY HOUSEHOLD TYPE FOR THOSE NOT LIVING ON RESERVE, 2001



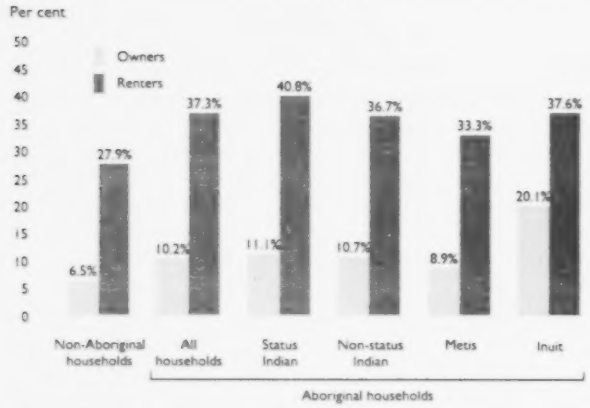
Aboriginal total does not include on-reserve households.

Source: CMHC, (Census-based housing indicators and data, revised 2005)

65 For Aboriginal family households, any household in which at least one spouse, common-law partner, or a lone parent identifies as Indian (Status or Non-status), Métis or Inuit is counted accordingly. For Aboriginal non-family households, any household in which at least half the members identify as Indian (Status or Non-Status), Métis, or Inuit is counted accordingly. This approach enables the range of Aboriginal identities to be examined, but it also means that the sum of identity subtotals will add up to more than the total of Aboriginal households. For example, a household with one Métis and one Inuit spouse will be counted as both a Métis household and an Inuit household.

FIGURE 50

CORE HOUSING NEED MORE PREVALENT AMONG RENTERS, CANADA, 2001



Aboriginal total does not include on-reserve households.

Source: CMHC (Census-based housing indicators and data, revised 2005)

By contrast, within the non-Aboriginal population, most people who are in core need are not raising children. Non-family households account for only 28 per cent of Aboriginal households in core need while the comparable figure among non-Aboriginal households is 50 per cent.

Rental households were more likely to be in core housing need than homeowners. The percentage of Aboriginal homeowners in core housing need was 9 per cent for Métis households, 11 per cent for Status and Non-status Indian households, and 20 per cent for Inuit households. Levels of core housing need among renters ranged from 33 per cent for Métis households to 37 per cent for Non-status Indian households, 38 per cent for Inuit households, and 41 per cent for Status Indian households *(see Figure 50)*.

Homeownership rates rise

Homeownership rates differ markedly across the different Aboriginal groups. Métis households had the highest ownership rates, while Inuit households had the lowest *(see Figure 51)*. As discussed later in this Feature, subsidized rental housing accounts for a high proportion of the housing stock in the North.

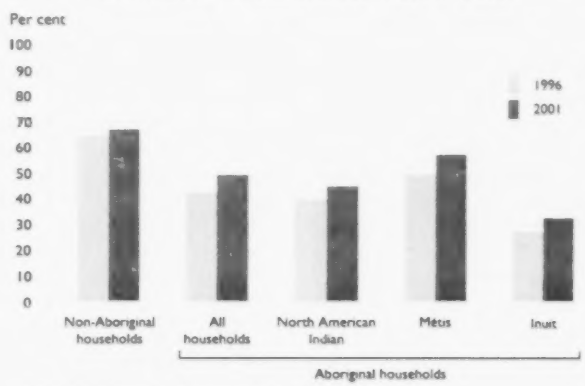
Homeownership rates increased for all Aboriginal groups between 1996 and 2001 and the gap between non-Aboriginal and Aboriginal rates narrowed significantly. The homeownership rate for Aboriginal households outside reserves for 2001 climbed to almost 50 per cent from 43 per cent in 1996. The difference between Aboriginal and non-Aboriginal rates declined to 16 per cent from 22 per cent over the same five years.

Cautions in interpreting changes in areas outside reserves

It should be noted that, in recent years, a growing number of people who had not previously identified with an Aboriginal group now do. Between 1996 and 2001 the largest growth was among those identifying as Métis. For example, three provinces reported Métis household growth rates exceeding 100 per cent. It is difficult to determine the extent to which changes in statistics on housing conditions, (for example, the reduction in the percentage in core need and the increasing homeownership rate), may be affected by this. Some of the improvement could be because those newly identifying themselves as Aboriginal people have better housing conditions than other Aboriginals.

FIGURE 51

OWNERSHIP RATE INCREASES FROM 1996-2001

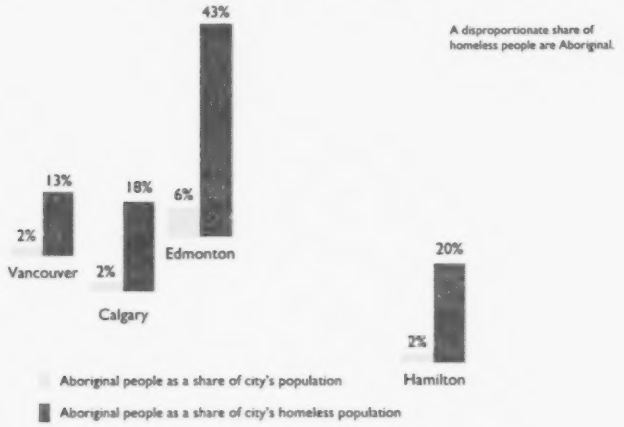


Aboriginal total does not include on-reserve households.

Source: CMHC (Census-based housing indicators and data)

FIGURE 52

ABORIGINAL PEOPLE AND HOMELESSNESS



Sources: Hamilton's Report Card on Homelessness, April 2002, p. 10.

Edmonton Joint Planning Committee on Housing, (October 2002), A Count of Homeless Persons in Edmonton and 2001 Census data for city population.

Calgary and Vancouver statistics: Canada West Foundation, "Urban Aboriginal People in Western Canada: Realities and Policies," 2001.

High rate of homelessness

Aboriginal people are over-represented in the homeless population in every major city where statistics are available. In 2002 in Hamilton, Aboriginal people represented two per cent of the city's population yet made up 20 per cent of the homeless population[66] *(see Figure 52)*. In Edmonton in 2001, Aboriginal people made up 43 per cent of the homeless population (based on a city count in 2002) while accounting for only about six per cent of the overall population (2001 Census).

In September 2001, 13 per cent of people using homeless shelters in Vancouver were Aboriginal even though Aboriginal people made up only two per cent of the city's population. In Calgary, 18 per cent of shelter users were Aboriginal whereas they made up only two per cent of the city's population.[67]

On-reserve housing conditions

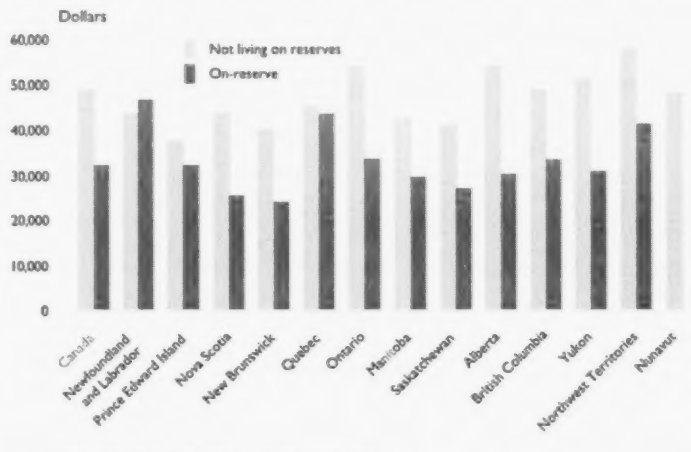
Limited employment opportunities mean that social assistance is the principal source of income for a significant proportion of on-reserve households. As of 2001, the average annual income of households living on-reserve, at a little over $32,000, was well below that of Aboriginal households not living on-reserve *(see Figure 53)*. The lowest average incomes were in on-reserve communities in New Brunswick, Nova Scotia and Saskatchewan, and the highest were in Newfoundland and Labrador and Quebec.

Low incomes make it difficult for on-reserve households to maintain and improve their existing housing or contribute towards acquisition of new housing.

Between 1996 and March 2004, the total number of houses on-reserve increased to 95,500 from 78,200 and the number of adequate houses to 50,600 from 39,000.[68]

FIGURE 53

AVERAGE INCOME FOR ABORIGINAL HOUSEHOLDS, NOT LIVING ON RESERVE AND ON-RESERVE, 2001



Source: CMHC (Census-based housing indicators and data)

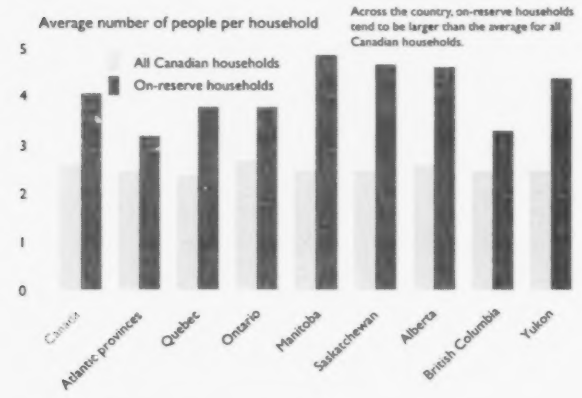
66 Hamilton's Report Card on Homelessness. April 2002.

67 The Canada West Foundation *Urban Aboriginal People in Western Canada: Realities and Policies*, 2001.

68 These statistics are from Indian and Northern Affairs Canada (INAC) administrative data, which includes reserves missed in the 2001 Census.

FIGURE 54

ON-RESERVE AVERAGE HOUSEHOLD SIZE, 2000-2003



Average 2000-2003 is used for on-reserve households.
2001 Census data is used for all households.

Source: INAC

As of March 2004, 16,900 units required major repairs and another 5,200 units needed to be replaced.

CMHC and Indian and Northern Affairs Canada (INAC) housing programs have contributed to new construction and to renovation, which prolongs the life of the stock. However, this has not prevented a rising shortfall of dwellings, estimated at between 20,000 and 35,000 units, which is increasing by 2,200 units a year (4,500 new units are needed to house newly formed households while only 2,300 units are being built).

Current spending of $123 million a year by CMHC and $138 million a year by INAC supports the construction of about 2,300 new houses. This funding also supports repairs for about 3,300 housing units, continuing subsidies for a portfolio of about 25,000 units of assisted housing, capacity development (that is, the skills and knowledge to design, build, inspect, maintain and manage housing) and other housing-related activities, such as maintenance, insurance and administration.

In 2005, the Government of Canada announced an additional investment of $295 million for the construction of 6,400 housing units and renovation of 1,500 units over five years.

The housing shortage has resulted in severe overcrowding on-reserve, which accelerates the deterioration of housing and related infrastructure, and affects the health and social well-being of occupants. There is now an average of more than four people per household on-reserve, well in excess of the average of 2.6 people for Canada as a whole *(see Figure 54)*.

While shelter costs are generally not available on-reserve, alternative standards can be examined. As of the 2001 Census, 22.4 per cent of the on-reserve Aboriginal households that were enumerated were living in inadequate housing and unable to afford housing in adequate conditions *(see Figure 55)*. This is over 11 times higher than for non-Aboriginal households.

The incidence of on-reserve Aboriginal households living in crowded living conditions was also more than five times the level for non-Aboriginal households in Canada, with 10.3 per cent of on-reserve Aboriginal households living in crowded conditions and unable to afford suitably-sized housing, compared to 1.9 per cent of non-Aboriginal households.

FIGURE 55

PERCENTAGE OF ON-RESERVE ABORIGINAL HOUSEHOLDS BELOW ADEQUACY AND SUITABILITY STANDARDS AND UNABLE TO AFFORD ACCEPTABLE HOUSING

On-reserve Aboriginal households	Total % below suitability standard	Total % below adequacy standard	Total % below suitability and/or adequacy standard
All on-reserve	10.3	22.4	27.7
Owned on-reserve	6.0	19.5	22.5
Rented on-reserve	8.9	14.8	20.4
Band housing	12.8	25.5	31.8

Note: Percentages in the first two data columns do not add to the total in the third data column since some households have both adequacy and suitability problems.

Source: CMHC (Census-based housing indicators and data)

For both crowding and adequacy, the worst housing conditions are in Band housing, where 31.8 per cent of households are either crowded, in inadequate housing, or both, and are unable to afford acceptable housing.

Northern housing conditions

Due to high unemployment rates and high construction and operating costs, a large portion of the northern population relies on assisted housing.

Canada's Inuit population lives primarily in four Inuit regions, including Nunavut, Nunavik in northern Quebec, Nunatsiavut in Labrador and Inuvialuit in the Northwest Territories.

In 2001, 16.8 per cent of Inuit households were in core housing need and overcrowded, compared to 5.7 per cent of all Aboriginal households and 1.9 per cent of non-Aboriginal households. Between 1996 and 2001, while there was a greater decline in the incidence of core housing need for all Aboriginal households than for non-Aboriginal households, Inuit households showed little improvement, with the incidence of core need declining only marginally, to 31.8 per cent from 32.8 per cent.

The Inuit population's young average age and high birthrate contribute to high growth rates for new families and households, which places additional pressure on existing housing supplies.

Challenges and issues

Efforts of Aboriginal people and governments to improve Aboriginal housing conditions are complicated by many special circumstances, including economic, social, cultural, legal, political and geographical factors. While some of these factors are common to all groups of Aboriginal people, others are specific to on-reserve households, households living outside reserves, or to northern households. The following sections discuss some of the main challenges.

Aboriginal housing challenges outside reserves

The socio-economic conditions of the Aboriginal population fall well below the overall population average in areas such as education levels, employment rates, income levels and health status.

The limited supply of affordable housing means that many Aboriginal people with low incomes live in temporary housing with family or friends, which often results in frequent moves from one housing situation to another. Such a transient lifestyle often places Aboriginal people at higher risk of homelessness.

The high residential mobility rate of the Aboriginal population presents additional challenges to obtaining and maintaining continuous education, employment and health services.

The high incidence of homelessness among Aboriginal people requires effective mechanisms for prevention and support. These efforts must take into account conditions, services and support on-reserve.

On-reserve challenges

The remote location of many First Nations communities contributes to higher costs for construction materials, labour and utilities and can limit access to specialized expertise.

Obtaining financing for housing construction and acquisition can also be difficult because of the land-holding regime of the *Indian Act*, under which the Crown holds legal title.

There is reduced incentive for occupants to maintain and renovate their homes because on-reserve housing ownership status is unclear.

Skills and capacity development are needed to ensure effective governance of housing so that First Nations can implement and manage housing programs and housing and take more control over their housing.

Socio-economic conditions on-reserve are a barrier to improving housing and housing conditions. These conditions include low income and unemployment, low education levels, poor health and related social problems.

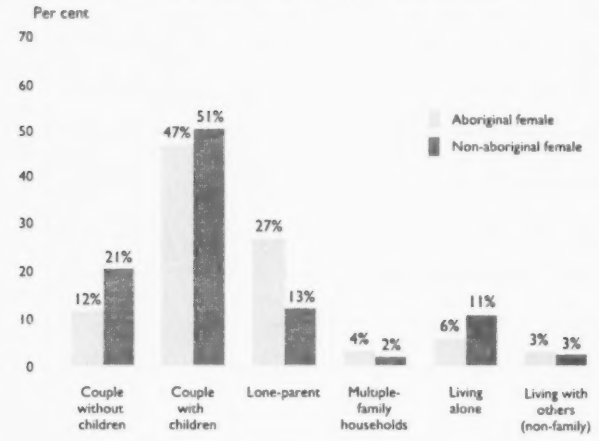
Northern challenges

Inuit in northern and remote areas rely heavily on social housing units because of socio-economic factors such as low employment and income. The low number of housing units and inadequate number of new units added each year to the existing housing stock has resulted in significant overcrowding.

The remote location of Inuit communities contributes to high transportation costs for building materials. Ongoing maintenance and operation of adequate electricity, heating, water and wastewater services for rural and remote housing are technically demanding and expensive.

FIGURE 56

DISTRIBUTION OF FEMALE POPULATION LIVING OUTSIDE RESERVES BY HOUSEHOLD TYPE, 2001



Source: CMHC (Census-based housing indicators and data)

In addition, employment and skills development opportunities in the North have been limited.

People of other Aboriginal identities living in northern and remote areas also face housing conditions similar to those facing the Inuit population.

Challenges facing Aboriginal women

In 2001, 27.6 per cent of Aboriginal women living outside reserves were in households in core housing need, compared to 24.4 per cent of Aboriginal men and 12.3 per cent of non-Aboriginal women.

Aboriginal women living outside reserves are more likely to live in lone-parent households than non-Aboriginal women *(see Figure 56)*. Lone-parent households relying on a single income are more likely to be in core housing need. Almost half (48 per cent) of Aboriginal lone-parent households are in core housing need. When comparing household incomes, Aboriginal women are twice as likely as non-Aboriginal women to live in a household with an income of less than $20,000. Consequently, Aboriginal women are more likely to have difficulty affording acceptable housing.

Women on-reserve face additional housing challenges. For example, in marriage dissolution, provincial courts do not have the authority to award an interest in the matrimonial home, which is usually in the husband's or Band's legal possession. This often results in women having to leave the reserve, unless the community has a housing policy for such situations.

Women wishing to leave their living situation because of violence or relationship breakdown have limited housing alternatives on-reserve. Choices are restricted to staying in the current living situation, moving into another household that may already be crowded or leaving the community. If there is a woman's shelter, there may not be transitional housing that enables a move from an emergency shelter to stable and secure housing.

As with their counterparts on-reserve, the remote location and inadequate housing supply are obstacles for Inuit women wishing to leave relationships. The lack of housing alternatives limits the choices for Inuit women living in the North to staying in current housing, living temporarily with a family or friend or leaving the community.

Looking for solutions and establishing directions through the Canada-Aboriginal Peoples Roundtable

At the Canada-Aboriginal Peoples Roundtable on April 19, 2004, the Prime Minister discussed setting a new direction on Aboriginal policy and engaging in a new dialogue that would help improve the lives of Aboriginal people in Canada.

The housing sectoral session

Housing was one of the six sectors identified for further policy development. A housing session was held in November of 2004, in Ottawa, with 150 participants and officials in attendance, bringing together a broad range of housing perspectives, knowledge and expertise.[69]

69 The sectoral reports and final roll-up report are at www.aboriginalroundtable.ca. Bilingual.

Some of the recommendations were:

- **Housing supply.** Funding and involvement of all levels of government and the direct involvement of Aboriginal people are required to create and administer housing policies and programs. Responses should recognize diverse urban, rural and northern needs and the needs of disadvantaged groups.
- **Housing quality.** Aboriginal people need a voice in the development of construction standards. Training and apprenticeship programs are required to ensure that Aboriginal people can build and maintain housing. Environmental concerns should also be taken into account and high quality, maintenance-free materials should be used in new construction and in upgrades to existing units.
- **Affordability.** Affordable housing is especially critical for the elderly, women, people with disabilities and the homeless. Affordable rental housing is also required. Homeownership could be promoted through innovative financing mechanisms geared to people living in poverty or with inadequate credit ratings. In addition, community approaches such as projects that involve sweat equity or some other form of contribution should be expanded.
- **Capacity development.** Information and support for occupants on maintaining their homes should be increased. Skills and trades training for individuals should cover housing activities such as construction, inspection, financing, administration and project management. Institutional capacity development opportunities for Aboriginal organizations should also be supported to assist organizations in taking greater control over housing.

Following the Roundtable process, a Policy Retreat was held on May 31, 2005 with federal Ministers and Aboriginal Leaders of the five National Aboriginal Organizations (NAOs) including the Assembly of First Nations (AFN), Inuit Tapiriit Kanatami (ITK), Métis National Council (MNC), Congress of Aboriginal Peoples (CAP) and Native Women's Association of Canada (NWAC). The purpose of the Policy Retreat was to bring closure to the Roundtable process and discuss the way forward on closing the gap in life chances between Aboriginal and non-Aboriginal people. At this meeting, Ministers and Aboriginal Leaders discussed a vision for increased Aboriginal control over housing and the need to work collaboratively on developing a new Aboriginal housing system.

In an effort to strengthen relationships and work collaboratively with various partners on improving the quality of life of Aboriginal people, a First Ministers' Meeting (FMM) on Aboriginal issues involving federal, provincial and territorial governments and Aboriginal Leaders is planned for November 2005. The meeting will include discussions on housing, health, education and economic opportunities.

Aboriginal initiatives

In spite of current housing challenges, various groups and communities have organized to develop innovative solutions. This section, while not comprehensive, describes some of these initiatives.

Good governance practices

Seabird Island First Nation in British Columbia developed a housing governance structure that consists of Chief and Council, a housing department and a housing committee that is responsible for analysing, reviewing and advising Council and consulting with community members. The structure is supported by clearly defined job descriptions with associated roles and responsibilities. Day-to-day operations are governed by policies and procedures about issuing Certificates of Possession, landlord–tenant relations and recourse mechanisms, among others.

Six Nations of the Grand River in Ontario has a housing committee with community representation that considers all housing-related issues and priorities before they go to Band Council. The community established a residential inspection policy to support good quality construction, specifically the ability of Six Nation inspectors to apply and enforce construction codes and standards. Inspectors are supported in their work by conflict of interest and other policies to ensure good quality house construction.

Community planning

The Coral Harbour Inuit community in Nunavut recognizes the benefits of community planning for the related economic benefits. The community developed a land-use plan that considered the community's social, cultural, housing, environmental and economic needs. The resulting economic benefits include establishment of commercial caribou harvesting, which has stabilized the community's economic base.

The Joint Community Planning Committee of 17 Atlantic First Nations, six federal government departments and Dalhousie University developed a comprehensive community planning model for small communities. It was tested in three First Nations, with the 13 First Nations participating in a capacity-building program to help develop experience and understanding of the process.

Housing policy development

The Gordon First Nation in Saskatchewan developed a housing plan that assesses housing needs in the community, develops strategies to address those needs and identifies related resource requirements and technical service support.

The Cayoose Creek First Nation in British Columbia established a housing policy process that addresses a range of housing needs and takes advantage of related economic benefits. Cayoose Creek First Nation created a row house project that accommodates a mix of seniors, singles, families and disabled persons. The design incorporated several culturally unique elements and was completed with the input of the community. Local materials and labour were used in construction.

Aboriginal management

The Aboriginal Housing Management Association (AHMA) Board, representing 14 Aboriginal housing societies in British Columbia, is a networking, educational, and advocacy organization. In 2001, AHMA developed a comprehensive framework to administer Aboriginal housing. In 2004, AHMA signed an agreement for the transfer of the provincial portfolio of Aboriginal housing outside reserves to AHMA member societies. In addition to property management, AHMA also coordinates training for Urban Native Housing Societies in cooperation with British Columbia Housing.

Corporation Waskahegen manages over 2,000 units for Aboriginals living outside of reserves in approximately 115 municipalities across Quebec through four non-profit organizations and two housing cooperatives. Waskahegen's services include program delivery, project management, architecture, construction, social and community services. Waskahegen operations also contribute to Aboriginal employment and economic development through construction and property management activities.

Aboriginal construction

Makivik Corporation is a non-profit organization created in 1978 and owned by the Inuit of Nunavik in northern Quebec. Makivik's construction division is involved in long-term construction planning and builds social housing. Makivik uses Inuit labour to the extent possible and enters into contracts with municipalities to use municipal heavy equipment, which contributes to local economies.

Quality construction and renovation

The Mohawks of the Bay of Quinte in Ontario created a highly skilled, award-winning housing labour force, and units constructed in the community are built to R-2000 standards. In addition, the community tested alternative housing design techniques, including construction of smaller units directly targeted to its senior citizen members.

The Cree Regional Authority in northern Quebec joined with CMHC to train its inspectors in renovations. This three-part training ensures inspectors are up-to-date on techniques in renovation building science, including remediation of mold and energy efficiency.

The Lennox Island First Nation in Prince Edward Island approached the housing quality challenge proactively by incorporating R-2000 features in its units, along with resource and water conservation measures, use of recycled materials, passive solar heating, good indoor air quality and accessible living spaces.

Increasing ownership opportunities

The system of collective land ownership and lack of mortgage security can be an impediment to an efficient housing system on-reserve.

In response to this, communities such as Kahnawake in Quebec and the Mohawks of the Bay of Quinte and Six Nations of the Grand River in Ontario operate revolving loan funds and related land systems based on Certificates of Possession, allowing qualified homebuyers to gain title to the land and borrow directly from the First Nation without Ministerial Loan Guarantees.

In British Columbia, 11 Shuswap communities are planning to establish a housing market by using long-term leases under the *Indian Act* designation process. Under the proposal, Band members will receive a long-term lease that can be mortgaged. Most financial

institutions will accept long-term leases as security for a mortgage loan. Not only will these leasehold interests be transferable among Band members in one particular community, thereby establishing the beginnings of a housing market, but they will also be transferable to members of other Shuswap communities. This will further help establish a housing market.

After a series of community consultations The Lac La Ronge First Nation in Saskatchewan developed a homeownership program which includes an elected Housing Authority Board. Lac La Ronge has also entered into an agreement with a major bank, which will provide renovation loans to a total of $500,000. At the same time, the bank established a pool of $5 million to provide mortgage loans. Recipients of either renovation or mortgage loans must meet the bank's lending criteria. The loans do not need a Ministerial Loan Guarantee.

Home occupant involvement

Communities such as Six Nations of the Grand River in Ontario, Seabird Island in British Columbia, Mohawks of the Bay of Quinte in Ontario, and Cowichan Tribes in B.C. have lease or loan agreements with occupants specifying roles and responsibilities, including the need for occupant maintenance, payment obligations and eviction and appeal measures.

Home occupant education

Communities such as the Cowichan Tribes in B.C. sponsored training and information sessions for home occupants on such topics as home maintenance and indoor air quality. These sessions were a key part of the longer-term solution the community developed for mold remediation.

Westbank First Nation in British Columbia developed a community housing communication strategy to deal with operational issues that included improved internal communication and information processing, improved input through tenant meetings, and staff training. With a high tenant participation rate, a 50 per cent reduction in rental arrears was reported.

The Hobbema First Nation in Alberta introduced a tenant-training program. Potential occupants were required to attend a home maintenance program in advance of occupancy and, as part of that training, participants received information on maintaining their homes and were provided with basic home maintenance materials and tools.

Local economy

In New Brunswick, the Red Bank First Nation has begun work on a plan to allow it to take advantage of a recent court ruling allowing it to harvest timber for personal use on provincial Crown land. The community will use the timber to create business opportunities and jobs for its members. Red Bank is also working with a bank to secure homeownership loans for its members and to create a revolving loan fund.

Housing design innovations

Aboriginal Healthy Housing™ and Flexhousing™ initiatives[70]

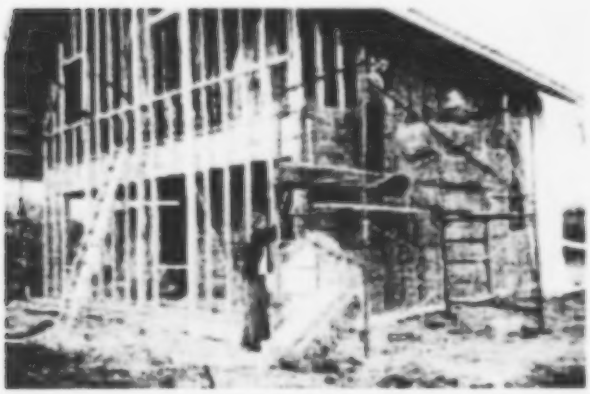
In many remote, rural, northern and First Nations communities, environmental degradation is becoming more and more apparent as permafrost melts and wildlife and forests disappear. At the same time, there is a greater recognition and understanding that housing can be a part of the problem.

FIGURE 57
KANATA 2000 MASTER PLAN

70 For more information about CMHC's Healthy Housing™, see the chapter entitled "Healthy Housing and Sustainable Communities."

FIGURE 58

KANATA HEALTHY HOUSE



Many First Nation communities are remote and have no access to an urban power grid or infrastructure, so they also need feasible approaches to energy efficiency. Many of these communities also have less access to finished materials and technological expertise and may still be dependent on traditional foods, materials and energy sources.

This combination of improved awareness, diminished resources and acute need has led to the development of Healthy Housing™ initiatives. Healthy Housing™ incorporates sustainable development concepts into the design of both Aboriginal and non-Aboriginal communities in Canada. Four Aboriginal examples are described below.

Kahnawake, Quebec

Kahnawake, a Mohawk community of 6,794 people on 4,856 hectares (12,000 acres) on the south shore of Montréal, has planned a sustainable neighbourhood for 32 healthy homes on a four-hectare (ten-acre) site remote from the community sewer infrastructure.

Known as the Kanata 2000 Healthy Housing Project *(see Figure 57)*, the homes save land by being closer together than elsewhere in the community, minimizing the need for roads and allowing for family plots with future "granny homes." This helps maintain the important social fabric of an Aboriginal community. At the same time, all homes have a high degree of privacy and improved solar access as all homes face south to catch the sun. Site planning preserves two streams and a wooded knoll and affords opportunities for local food production and safe play spaces, plus bird and small animal habitats. Such site layouts not only provide pleasant and healthy living conditions but are also critical to maintaining local ecosystems, including indigenous plants and trees.

The initial Healthy House is made of wood-frame construction insulated with straw bales *(see Figure 58)*. It uses non-mechanical techniques to store passive solar heat in the floors and walls and incorporates an active solar hot water and slab-heating system. Compressed earth-block interior wall construction was demonstrated to train local trades in alternatives to standard masonry and concrete.

Efficiencies from the alternative wastewater infrastructure are expected to offset the slightly increased cost of the energy-efficient upgrades to the building envelope, that is, the walls, roof and foundation.

Eagle Lake, Ontario

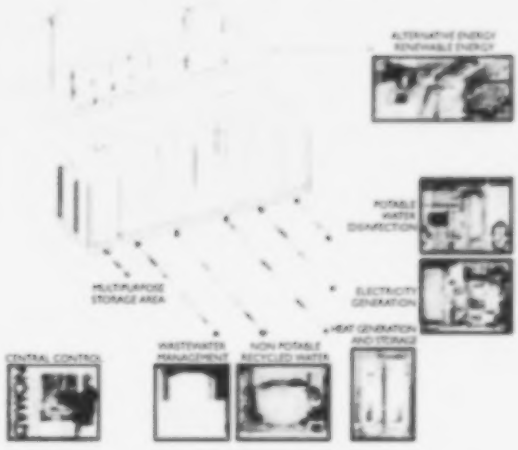
At Eagle Lake, an Objibway First Nation in Northwestern Ontario, a Healthy House serviced by a completely portable infrastructure container was built close to the lake. Neighbouring communities, including Mishkeegogaming, Lac La Croix, Webeque and Big Trout Lake, have already adapted the house design and other innovations.

FIGURE 59

EAGLE LAKE HEALTHY HOUSE

FIGURE 60

EAGLE LAKE HEALTHY HOUSE - ECONOMAD™



This three-bedroom, slab-on-grade bungalow *(see Figure 59)* has R-50 walls, an R-60 attic, and 15 cm (six-inch) slab insulation, radiant floor heating and carefully chosen appliances and lights. The energy-efficient, passive solar home design (once again pointed south) reduces the need for the expensive infrastructure common in the North and makes it possible to consider alternative on-site infrastructure solutions for water, sewage, heat and power, such as the EcoNomad™.

The EcoNomad™ micro-infrastructure package is completely housed inside a 6 x 2.5 x 2.5-m (20 x 8 x 8-ft.) shipping container *(see Figure 60)*. The unit uses a 90 per cent efficient, diesel or biodiesel-fuelled co-generator to supply both heat and power in one operation. It supplements this with micro-wind and solar power to minimize generator operation time in summer weather.

Potable water is obtained by biological purification of the lake water, plus special cartridge filtration and UV sterilization according to local water analyses. Sewage and greywater are processed by a separate biological treatment system (three-stage septic tank, plus a Waterloo BioFilter® followed by a back-flushable, slow-sand filter). This produces high-quality reclaimed water (no longer effluent quality) suitable for direct discharge through a simple tile bed or, if desired and appropriate, for re-use for toilets and even laundry.

In many ways, this house mimics other natural ecosystem components by initially reducing its own needs and then supplying them as much as possible from renewable sources (wind, sun and earth). Where it does draw from other components, such as water, the house returns what it takes in as good or better condition that it was received.

Maniwaki, Quebec

This small pre-fabricated bungalow, 38 m² (400 sq. ft.), is ideal for northern and remote areas *(see Figure 61)*. The design is strong enough to sustain wind and snow loads, yet lightweight and movable—truckable—and easy-to-build. It requires only basic construction skills, uses local materials and products, but is relatively labour-intensive to create local employment. Annual heating needs, including hot water, are met with a single cord of dry hardwood.

The Maniwaki Adult Education and Vocational Training Centre (Western Quebec Regional School Board) formed a project team. The team's vision was to make these houses cost-competitive with makeshift basement

FIGURE 61

MANIWAKI "MIGEWAM 24" HEALTHY HOUSE

and attic apartments so that low-income families and individuals could become proud homeowners and secure community members. The Migewam 24 (Migewam is the Algonquin word meaning "home"), reflects the traditional lifestyle and is designed by and for the Algonquin Indian population of Quebec.

The design is suitable for many secondary purposes, including for both summer and winter recreational use and also as an accessory apartment. The house lowers demands on the environment by being smaller and built with small-sized lumber from local, harvestable trees; it can be placed to suit site conditions without blasting, draining, clearing or altering natural features; it is energy efficient in that it reduces the need for costly infrastructure; and it can be assembled by anyone with basic construction skills or training. The lightweight, strong construction of these homes makes it possible to transport them to a site and place them between trees *(see Figure 61)* with very little site degradation. Homes can also be clustered to reduce the need for expensive and damaging roads.

Seabird Island, British Columbia

The Seabird Island Project, just outside Agassiz, is part of the Seabird Island First Nation's Sustainability Plan.

The homes at Seabird Island are extremely energy efficient as the earth, wind and sun supply heat and energy. Operating the homes is highly affordable—energy consumption is as much as 75 per cent less than a typical home—and the homes have been designed and calculated to have an estimated 100-year lifespan.

The concept of FlexHousing™, housing that is designed for adaptability, accessibility and affordability, is central to the Seabird Island sustainable housing.

Spaces are designed to evolve easily and with minimum expense as the needs of the people living in the house change. For example, some of the rooms in the Seabird Island demonstration homes are designed so that they can be easily subdivided as children's rooms, home offices or even self-contained units.

The home is barrier-free and everyone benefits from an accessible home—not just older people or people with special needs. For example, wider hallways in some of the homes make it easy to move furniture or a person in a wheelchair between rooms.

The house is relatively inexpensive to heat or renovate. Some features are slightly more expensive to install than standard features, but the initial expense is recovered over the long term.

Conclusions

Despite various initiatives to improve the situation, housing conditions of Aboriginal people remain well below those that most Canadians enjoy. Housing supply shortfalls, crowding, and inadequate housing on reserves, in the North and in remote communities, are of particular concern. In urban areas, the incidence of homelessness among Aboriginal people is alarmingly high relative to that of non-Aboriginal people, and low incomes continue to affect the ability of Aboriginal people to access adequate housing.

Housing conditions have a direct impact on social, educational and occupational achievement, as well as on one's physical and mental well-being. In turn, these factors are linked to housing in that they further determine one's ability to access adequate housing. The Canada-Aboriginal People's Roundtable acknowledged that challenges vary between groups and between communities. Accordingly, responses to these needs and challenges must recognize and be flexible in accommodating these differences.

A key message heard throughout the Roundtable process and echoed at the May 31, 2005 Aboriginal Policy Retreat is the need to increase Aboriginal capacity and control over housing and the need to strengthen relationships among federal, provincial, territorial and Aboriginal partners to work collaboratively on improving Aboriginal housing conditions. The First Ministers Meeting on Aboriginal issues scheduled for November 2005 is a key milestone to working towards this vision.

Towards

HEALTHY HOUSING AND SUSTAINABLE COMMUNITIES

This chapter explores how housing—everything from the design, construction and maintenance of houses and the equipment and appliances required to run them, to the design of entire communities—affects the environment. In a vast and cold country like Canada, the energy used to build and operate homes and to support current lifestyles represents a significant percentage of Canadians' total energy use. One byproduct of energy use is the release of harmful atmospheric substances, such as carbon dioxide and other greenhouse gases, which results in global warming. Other chemicals, such as chlorofluorocarbons, released in the operation of household mechanical systems also have a harmful effect on the protective ozone layer, the part of the earth's atmosphere that shields us from overexposure to the sun's rays. When total consumption of both renewable and non-renewable resources in the housing sector is reduced, these benefits directly accrue to the earth's natural ecosystems. This section reviews some of the initiatives undertaken to minimize our collective impact on the global environment.

Housing and sustainability

The construction, operation and maintenance of housing are all major consumers of resources. Because it has a long life, housing affects both energy consumption and various other key facets of our lives, such as transportation, infrastructure, community, employment and health. Well-constructed housing, therefore, can make a major contribution to sustainability and quality of life.

The environment

Housing is a man-made component inserted into the ecosystem. It can significantly affect the environment in ways that are not immediately self-evident. Because of this, an explanation of housing's impact on the environment is warranted.

When left undisturbed by external influences, an ecosystem's natural components (forests, wildlife and so on), constantly sustain that system's balance by replenishing and restoring whatever is consumed or withdrawn.

Housing, developed without considering its potential effects on the ecosystem, affects this natural balance. Potential impacts can include increased stormwater runoff, loss of habitat, and excessive greenhouse gas (GHG) emissions.

Well-designed and well-built houses and housing developments can bring or maintain positive environmental outcomes by:

- conserving energy and resources,
- protecting sensitive environmental features, such as streams, woodlots and wetlands,
- repairing damaged or contaminated land, and
- providing infrastructure that supports transportation by alternative means other than the automobile, such as walking, cycling and public transit.

Housing affects health

The World Health Organization (WHO) includes housing and health in its list of environmental health indicators, recognizing that housing conditions can have an impact on occupant health. Establishing a direct cause-and-effect relationship, however, can be difficult, as health problems often reflect the combined cumulative effect of various factors.

Poor household hygiene, poor home air quality, improper space heating, inadequate maintenance and security practices, and exposure to noise, molds or harmful substances, can all negatively affect human health. Such conditions may affect not only physical health, but also social and mental health, particularly among children, the elderly and people with physical limitations.[71]

There appears to be a relationship between socio-economic status, housing, and certain types of specific health risks. For example, children from poor families may be exposed to greater levels of lead because they are more likely to live in older, improperly maintained dwellings, potentially exposing them to lead-contaminated paint, dust and soil. At the same time, they are also more likely to have inadequate nutrition, making them more susceptible to increased absorption and retention of ingested lead.[72]

Other building materials used in the construction of homes and their contents can also have deleterious effects on the household's occupants.[73] Furniture, carpets and cabinets, for example, can release volatile organic compounds (VOCs).[74] The use of less toxic production materials can therefore benefit human health and result in fewer negative environmental effects.

Excess moisture in a home affects occupants' health

Mold grows when there is excess moisture. Mold spores exist virtually everywhere in our natural environment, but will also grow inside a house when there is too much moisture. Simple measures can often fix minor mold problems.

As many as 38 per cent of Canadian homes are damp or moldy.[75] Children are particularly susceptible to the health effects of mold, because they need more oxygen for their body weight than adults do and they breathe at a faster rate. As a result, they take in proportionately more air pollutants than do adults.[76]

Although no determinative causal relationship has been conclusively established, studies indicate strong correlations between the presence of mold and its corresponding negative health effects. For example, children living in damp or moldy homes are 32 per cent more likely to have bronchitis.[77]

Molds also pose significant problems in some First Nations communities for interconnected reasons, such as inappropriate housing design for their environment or lifestyle, poor construction, insufficient maintenance and inadequate ventilation.[78]

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71 World Health Organization, *Results of review and data availability screening in member states*, January 2004 summary report from WHO technical meeting on "Housing Health Indicators," p 12.

72 S. Hwang, E. Fuller-Thomson, J.D. Hulchanski, T. Bryant, Y. Habib, W. Regoeczi, *Housing and population health: A Review of the literature* (Ottawa: CMHC, 1999). As cited in "Housing and population health," Canadian Institute for Health Information, June 2004, p 18.

73 S.K. Brown, M.R. Sim, M.J. Abramson and C.N. Gray, "Concentrations of Volatile Organic Compounds in Indoor Air – A Review", *Indoor Air*, 4, 123-134.

74 U.S. Environmental Protection Agency, *Sources of Indoor Air Pollution – Organic Gases (Volatile Organic Compounds – VOCs)*, http://www.epa.gov/iaq/voc.html

75 R.E. Dales, R. Burnett, H. Zwanenburg *Adverse health effects among adults exposed to home dampness and molds*, "American Review of Respiratory Disease" 143, 3 (1991): pp. 505–509. As cited in "Housing and population health," Canadian Institute for Health Information, June 2004, p 11.

76 Canadian Institute for Child Health *Climate Change and Your Child's Health.* http://www.cich.ca/EnvironmentHealth_ClimateFactSheets.html

77 R.E. Dales, H. Zwanenburg, R. Burnett, C.A. Franklin, *Respiratory health effects of home dampness and molds among Canadian children*, "American Journal of Epidemiology" 134, 2 (1991): pp. 196-203. As cited in "Housing and population health," Canadian Institute for Health Information, June 2004, p 11.

78 R. Lawrence, D. Martin *Molds, moisture and microbial contamination of First Nations housing in British Columbia*, "Canada, International Journal of Circumpolar Health" 60, 2 (2001): pp 15-156. As cited in "Housing and population health," Canadian Institute for Health Information, June 2004, p 11.

What is mold?

Molds are microscopic fungi, a group of organisms that includes mushrooms and yeasts. Fungi grow and reproduce rapidly.

Molds grow if moisture and nutrients are available. High moisture levels can be the result of water coming in from the outside through the floor, walls or roof; from plumbing leaks; or moisture produced by daily activities, such as bathing, washing clothes and cooking. Water enters the building when there is a weakness or failure in the structure and moisture accumulates within the home when there is improper ventilation.

Mold and housing

Damage to materials (staining, discolouration) is one concern. Continued mold growth can be a sign that moisture conditions are favourable for the growth of fungi that cause wood rot and structural damage.

Molds release chemicals and spores and can be a source of health concerns. Health experts say that the effects of mold can range from insignificant to allergic reactions and illness, depending on the type of mold in a home, the amount and degree of exposure and the health of the occupants. Pregnant women, infants, the elderly and those with health problems, such as respiratory disease or weakened immune systems, are more at risk when exposed.[79]

Transportation

Space heating accounts for most of the energy used in Canadian homes. At the broader community level, however, the greatest amount of Canadians' personal energy use, and therefore production of greenhouse gas emissions, comes from a reliance on the automobile. In fact, passenger road transportation (as opposed to freight transportation) is responsible for half of Canadians' total output of the GHG emissions associated with personal use *(see Figure 62)*.

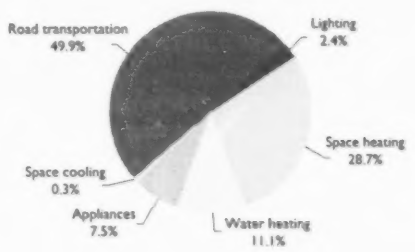
A more sustainable approach, therefore, necessarily includes effective community planning that reduces commuting distances or perhaps even eliminates the need to commute. Creative alternative housing arrangements, which reduce transportation-related greenhouse gas emissions, can reduce the need to build and maintain costly road infrastructure.

It is not even always necessary to resort to new development to achieve progress. One CMHC study[80] found that infill developments that increase housing density are more effective at lowering transportation-related GHG emissions than "greenfield" development specifically designed to reduce car dependency.

Financial costs

There are also hidden indirect financial costs to current housing development practices. Research has shown, for example, that the effects of air pollution—from burning fossil fuels for heating and cooling homes and from driving—on human health can be dramatic.

FIGURE 62
SOURCE OF PERSONAL GREENHOUSE GAS EMISSIONS, CANADA, 2001



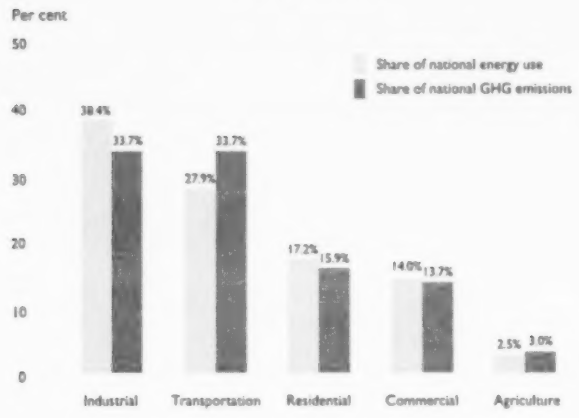
Source: Office of the Auditor General of Canada, *Climate Change Plan for Canada*, 2003 Report

79 CMHC *Fighting mold—The homeowners' guide.* Bilingual, http://www.cmhc.ca/en/burema/gesein/abhose/abhose_ce08.cfm

80 CMHC, *Greenhouse Gas Emissions from Urban Travel: Tool for Evaluating Neighbourhood Sustainability.* Research Highlights, Socio-economic Series Issue 50—Revision 11. http://www.cmhc-schl.gc.ca/publications/en/rh-pr/socio/socio050.pdf

FIGURE 63

ENERGY USE AND GREENHOUSE GAS EMISSIONS (GHG) BY SECTOR, 2003



Source: Natural Resources Canada (NRCan): *Energy Efficiency Trends in Canada, 1990 to 2003*

According to the Ontario Medical Association, in 2005, air pollution will result in 5,800 premature deaths and will cost the province of Ontario almost one billion dollars.[81]

The cost to build and maintain additional infrastructure also restricts municipal budgets and hampers municipalities' capacity to fund social, cultural and health services. Developers also face rising costs to extend infrastructure—costs that are ultimately passed along to consumers. Continually expanding infrastructure can open the door for inefficient development.

The Kyoto Protocol and residential energy use

When fossil fuels, such as coal, oil and natural gas, are burned, they release greenhouse gases[82] into the air and thus contribute to what is known as global warming, or the greenhouse effect associated with climate change.

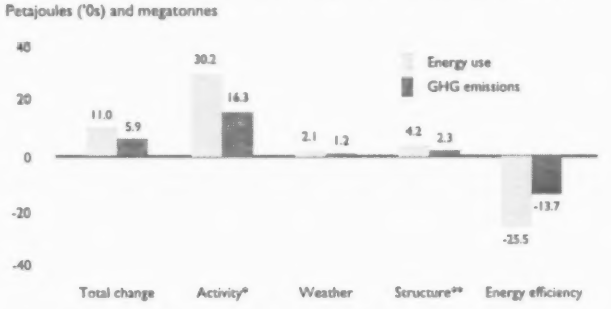
In December 2002, Canada ratified the Kyoto Protocol, a treaty aimed at reducing GHG emissions from the more-developed nations. In February 2005, that treaty came into effect. As one of the signatories, Canada is committed to reducing its emissions to six per cent below 1990 levels over the period 2008-2012.[83]

As noted previously, GHG emissions are associated with burning fossil fuels. However, even a seemingly cleaner energy source such as electricity indirectly produces emissions. In 2002, Canada generated 28 per cent of its electricity from fossil fuels, up from 22 per cent in 1990.[84] An examination of the overall environmental impact of housing must therefore also include the role of electricity in the total energy mix.

In 2003, the residential sector accounted for 17 per cent of Canada's total energy use and 16 per cent of the country's GHG emissions *(see Figure 63)*.[85] Total emissions from all sectors increased by

FIGURE 64

CHANGE IN ENERGY USE AND GREENHOUSE GAS EMISSIONS (GHG) DUE TO ACTIVITY, WEATHER, STRUCTURE AND ENERGY EFFICIENCY, RESIDENTIAL SECTOR, CANADA, 1990-2002



* "Activity" reflects changes in the number of households and the floor space.
** "Structure" reflects the mix of end uses, i.e., the relative energy shares of water heating, lighting, space heating and cooling, and other appliances and equipment.

Source: NRCan, *Energy Efficiency Trends in Canada*, 1990 to 2002

81 Ontario Medical Association, "Doctors: Smog Will Kill 5,800 Ontarians this Year." News release, June 14, 2005. www.oma.org.

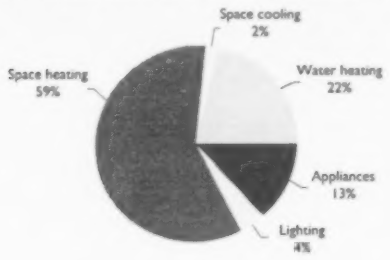
82 In 2001, carbon dioxide (CO_2) accounted for the largest share of Canada's greenhouse gas emissions. Other GHGs include methane (CH_4) and nitrous oxide (N_2O). Statistics Canada *Human activity and the environment*, 2004. Cat. no. 16-201-XIE.

83 Government of Canada, *Project Green Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment*, 2005, p. 42.

84 Natural Resources Canada, *Energy Use Data Handbook*, 1990, and 1996 to 2002.

85 Natural Resources Canada, *Energy Efficiency Trends in Canada*, 1990 to 2003.

FIGURE 65
RESIDENTIAL ENERGY USE BY PURPOSE, 2002



Source: NRCan, *Improving Energy Performance in Canada: Fiscal Year 2003-4*

23 per cent between 1990 and 2003, while increases in residential GHG emissions and energy use were somewhat lower, at 15 per cent.[86]

Several factors can contribute to increases in residential energy use and GHG emissions: seasonal temperature fluctuations; lifestyle; household design and appliances and equipment; dwelling type (structure); the number and size of homes, their integration into the community; and their relationship to the local environment.

While Canadian summer and winter weather patterns in 2002 were more extreme than those in 1990, the impact of weather on residential energy use and GHG emissions was relatively small *(see Figure 64)*.

By far the largest impact came from the 21 per cent increase in the number of households, and the 27 per cent increase in average total floor area. This accounted for over 80 per cent of the increase in residential energy use and corresponding GHG emissions between 1990 and 2002.

Energy efficiency

The increasing size of Canadian houses mentioned above decreases the overall efficiency of energy use in the residential sector. While energy use per square metre decreased by 12.6 per cent between 1990 and 2003, energy use per household decreased by only 8.5 per cent. This is so because while newer homes are more energy efficient, they are also larger and better equipped, and thus require more energy to operate. In the same period, total energy use by housing increased by 13 per cent.[87] Since the majority of a home's energy use in Canada is taken up in heating the home, a larger house uses a lot more energy *(see Figure 65)*.

Nonetheless, the increase in residential energy use between 1990 and 2003 was only 40 per cent of what it would have been without the progress made in energy efficiency.

Energy efficiency encompasses everything from better performance of new and existing homes to more efficient household appliances. Helpful improvements can range all the way from small-scale upgrades of heating equipment to large-scale developments in construction techniques that improve the quality of a home's building envelope (the exterior elements of the house such as the roof, walls and foundation).

Space heating accounts for 59 per cent of residential energy use *(see Figure 65)*. The overall efficiency of space heating is also influenced by the performance of the building envelope. Developments in construction techniques and building materials have significantly improved the energy efficiency of homes. On average, houses built between 2001 and 2004 use approximately half the amount of energy compared to those built before 1946 *(see Figure 66)*.

In Canada, the ENERGY STAR®[88] label provides energy-efficiency ratings for most major household appliances, windows, gas fireplaces, and heating, venting and air conditioning equipment. This helpful comparative information encourages manufacturers and consumers to shift to higher-efficiency models.

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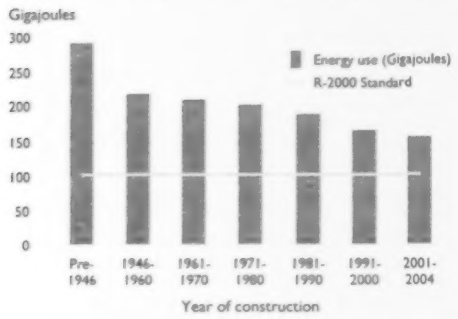
86 However, when transportation energy and GHG emissions related to community design and location are considered, the contribution of housing to climate change is even more significant.

87 *Energy Use Handbook*, Natural Resources Canada, June 2005.

88 Ontario is testing ENERGY STAR® for New Houses in 2005. New homes that receive the ENERGY STAR® label will be 40 per cent more efficient than those built to minimum Ontario Building Code standards.

FIGURE 66

AVERAGE ENERGY CONSUMPTION BY AGE OF DWELLING, CANADA, PRE- 1946 TO 2001-2004



R-2000 is performance standard developed by NRCan for energy-efficient new houses.

Source: NRCan, *Improving Energy Performance in Canada*: Fiscal Year 2003-4

In 2001, ENERGY STAR® appliances accounted for 12 per cent of all sales of refrigerators (up from one per cent in 2000), 9.7 per cent of dishwashers, (up from 1.6 per cent in 2000) and 9.2 per cent of clothes washers (up from 2.2 per cent in 2000).[89]

Natural Resources Canada's *EnerGuide for Houses* program rates homes on environmental features and gives homeowners specific advice on how to improve energy efficiency. In 2003–2004, about 48,000 homes were evaluated. Householders who retrofitted their homes reduced energy consumption by between 20 and 38 per cent, and total household carbon dioxide emissions by an average of four tonnes per year per house.[90]

R-2000[91] is a Canadian performance standard for new houses, which was designed to promote cost-effective, energy-efficient building practices and technologies. Houses built to the R-2000 standard generally outperform houses built to national, provincial and territorial building code standards in terms of energy efficiency.

R-2000 houses are healthier because they incorporate more comprehensive ventilation systems and low-emission building materials and finishes to ensure superior indoor air quality.

As indicated earlier *(see Figure 66)*, a house that meets the R-2000 standard improves even further on the significant conservation gains of modern homes by consuming 36 per cent less energy than the average house built between 2001 and 2004, and 66 per cent less than a house built before 1946.

More than 10,000 R-2000 homes have been built in Canada, although this number as a relative share of total housing production is small. Between 2000 and 2003, R-2000 housing starts totalled 300 to 400 annually, down from an average of over 1,200 between 1992 and 1993. Even though production rates have declined since then, the R-2000 program can be credited with advancing energy-efficiency standards, codes, technologies and practices for all residential housing.

Mortgage loan insurance

The Government of Canada actively promotes energy conservation and provides initiatives to help Canadians reduce greenhouse gas emissions. CMHC, Environment Canada and Natural Resources Canada work together to tell Canadians about the benefits of such programs as *EnerGuide for Houses*, Canada's *One-Tonne Challenge*, and *Mortgage loan insurance for energy-efficient homes.*

If a householder buys an energy-efficient home or renovates an existing home to make it more energy efficient, and obtains a CMHC-insured mortgage, the homeowner may be eligible for a ten per cent premium refund on the mortgage loan insurance premium.

89 Natural Resource Canada, National Energy Use Database.

90 Natural Resources Canada, *Improving energy performance in Canada—Report to Parliament under the Energy Efficiency Act* 2003–2004.

91 The R-2000 standard is based on an energy consumption target for each house and a series of technical requirements for ventilation, airtightness (to ensure fewer drafts), insulation, choice of materials, water use and other factors.

Brownfield redevelopment

Other factors, such as brownfield redevelopment and street design can also affect housing types, density, transportation options and community design, as well as reduce ecosystem demands and degradation.

Brownfields are abandoned, vacant, derelict or underutilized commercial and industrial properties where past actions have resulted in actual or perceived contamination, and where there is an active potential for redevelopment.[92] Most are located within urban areas where infrastructure such as roads, water, hydro and sewer lines already exist. There may be as many as 30,000 brownfield sites in Canada.

Brownfield redevelopment[93] can offer a broader range of housing types close to amenities and transportation in urban settings. These developments have been shown to reduce transportation costs compared to undeveloped, or greenfield, land. Remediation and redevelopment of brownfield sites for housing could allow communities to meet a number of sustainable development goals, including:

- meeting local housing needs,
- preserving historic or locally significant structures,
- cleaning up contaminated soil and water to improve the local environment, thus protecting human health,
- encouraging economic development,
- revitalizing existing neighbourhoods and stimulating design of new and innovative neighbourhoods,
- potentially significantly reducing commuting distances for those residents who choose to live closer to where they work, and
- curbing urban sprawl.

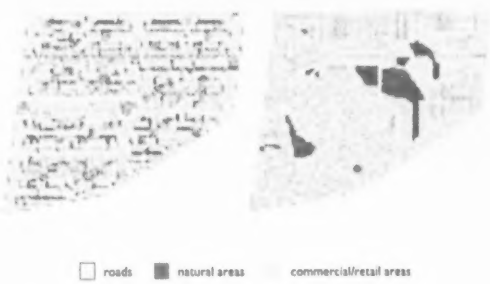
Street patterns

Researchers have examined ways to design entire communities so that they are more energy-efficient. Community design determines the shape and area of a subdivision, the opportunities for pedestrian and vehicle traffic and ecosystem retention, and the requirement for costly infrastructure. Street patterns are the framework for community design.

The "fused grid" street pattern combines two traditional North American approaches to residential community design: the traditional 19th century grid and the curvilinear pattern of looped streets and cul-de-sacs of modern suburbia *(see Figure 67)*.

The goal of a fused grid is to combine the efficient land use of a conventional curvilinear pattern with the freedom of movement and activity of the traditional grid. This combination provides a balance between the movement of pedestrians and cars. It also increases natural spaces and improves street safety and connectivity to community facilities. There are other benefits too. The design saves on infrastructure costs by requiring 30 per cent fewer streets, sidewalks and storm sewers.

FIGURE 67
THE FUSED GRID STREET PATTERN (LEFT) COMPARED TO CONVENTIONAL CURVILINEAR SUBDIVISION DESIGN (RIGHT)



Source: *Residential Street Pattern Design*, CMHC Research Highlight 75, Socio-economic Series

92 National Roundtable on the Environment and the Economy, *National Brownfield Strategy for Canada*, 2003.

93 *Brownfield redevelopment for housing: Literature review and analysis*, CMHC Socio-economic Research Highlight 05-013, CMHC, April 2005 or the full report by Luciano Piccioni, RCI Consulting, with Richard DiFrancesco of Regional Analytics Inc.

Compared to the traditional grid design, the fused grid also provides 19 per cent more building area because of this 30 per cent reduction in infrastructure.[94]

Less infrastructure usually means lower building costs per home, thereby providing cost-savings benefits to both developers and homebuyers. The fused grid also creates an eight to twelve per cent increase in public green space, a quality-of-life benefit for residents, and slight increases (10 to 15 per cent) in population density.

Planning for sustainability

The impact that poorly designed houses and communities have on the environment is increasingly being recognized as unsustainable. Many Canadian and international communities have established guidelines, plans and development approaches to reverse these effects and to establish better living conditions for all residents.

CMHC supports sustainability planning principles in various ways, including ongoing research projects and knowledge transfer activities. CMHC's *Sustainable planning and development for small communities*[95] workshop series, for example, provides practical approaches and decision-making tools for sustainability planning. The workshops include information about sustainable development concepts, transportation, energy and materials management and housing and community policy and regulatory tools.

Net-zero energy healthy housing

Canada is now embarking on initiatives aimed at transforming new housing developments into sustainably planned communities.

In July 2005, CMHC contributed $1 million to launch the first phase of a Canadian net-zero energy healthy housing initiative. This partnership between government and industry was fostered to build a vision for more energy-efficient, healthier future communities.[96]

A net-zero energy home, like most homes, is connected to the utility grid, but produces at least as much energy as the house consumes in a year. Net-zero energy healthy housing (NZEHH) follows CMHC's five Healthy Housing™ principles (occupant health/comfort, energy efficiency, resource conservation, environmental impact, and affordability) by combining passive solar, energy-efficient design, construction and appliances with commercially available renewable energy systems.

Benefits include:

- Security—a home that produces energy protects its owner from fluctuations in energy prices.
- Reliability—a net-zero energy home can continue functioning even during blackouts.
- Improved comfort—an energy-efficient building envelope reduces temperature fluctuations.
- Environmental sustainability—these homes use fewer resources such as land, water, materials and infrastructure, save energy, and reduce pollution.

Technology is already available for homes to achieve net zero energy. In many countries, these principles are already in practice. Notable examples exist in the Netherlands, the United Kingdom, Germany and Japan.

On an individual home-by-home basis the ultimate sustainability goal is a net positive energy house that would produce a surplus of energy beyond its own energy requirements, treat its own water, and so on, and share these processes as a community system similar to that of natural ecosystem elements.

At a community level, NZEHH principles can be extended to include entire communities. Such a community would be able to eliminate its energy demands from outside sources and be completely self-sustaining while restoring its own local ecosystem.

The initial capital cost of designing and building an energy-efficient house is often slightly higher than the initial cost of a conventional house. However, through

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94 For a comparison of a specific site, the Stratford Ontario Plan is described in *The Wharton Real Estate Review*, 4.1 (2005) 17-25.

95 http://www.cmhcschl.gc.ca/en/imquaf/hehosu/sucopl/index.cfm

96 CMHC, *Minister Announces Funding for Sustainable Housing*, July 20, 2005. www.cmhc-schl.gc.ca/en/News/nere/2005/2005-07-20-1000.cfm

Sustainable standards

LEED® (Leadership in Energy and Environmental Design®) is an optional set of performance standards provided for the design, construction, and operation of buildings. Currently, LEED® applies only to commercial and multi-family residential buildings, and not to single-detached dwellings.

In 2004, the City of Vancouver officially adopted LEED® as the standard for all new civic buildings greater than 500 m^2 (5,382 sq. ft.).[97] It also mandated energy requirements to ensure a 30 per cent reduction in current levels of energy use in all new civic buildings.

proper planning and a comprehensive, or systems approach to construction, the added costs can be more than offset with savings in infrastructure, savings on mechanical systems and significant ongoing savings generated from reduced energy, health and environmental costs.

CMHC's Healthy Housing™

To facilitate positive links between housing development and protection of the ecosystem, CMHC developed Healthy Housing™, a concept that envisions housing and communities that are healthy for both the home's occupants and for the planet as a whole.

Like NZEHH, the Healthy Housing™ concept is based on CMHC's five healthy housing principles. These principles can be applied to all housing forms, styles and price ranges. Homes appropriately scaled to an occupant's needs are cheaper to own and operate. They can also incorporate flexible and adaptable design or FlexHousing™ solutions.

FlexHousing™ incorporates, at the design and construction stage, the ability to make future changes easily and with minimum expense, to meet the evolving needs of its occupants. This allows homeowners to occupy a dwelling for longer periods of time, perhaps over their entire lifetimes, while adapting to changing circumstances and meeting a wide range of needs.[98]

Healthy Housing™ principles and ideas help address key questions, such as:

- Do our communities have to be short of land?
- Can we protect our farmland, forests, wetlands and ecosystems?
- Is it possible to build quality housing that is affordable?

Healthy Housing™ minimizes the need for land, materials and energy in its operation, and works with nature to maximize efficiency from appropriate technologies and practices. This allows for greater flexibility and lowers costs. Healthy Housing™ also encourages development that relies more on renewable energy sources and locally available materials. The Aboriginal feature in this edition of the *Canadian Housing Observer* profiles examples of Healthy Housing™ and FlexHousing™ in several communities.

Optimal construction and operating efficiencies are especially important in the North, where construction, energy and maintenance costs are much higher than elsewhere in Canada.

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97 U.S. Green Building Council, *City of Vancouver Announces New Public Buildings to Certify as LEED Gold*, English only. http://www.usgbc.org/News/pressreleases_details.asp?ID=897&CMSPageID=164

98 CMHC, *What is FlexHousing?* www.cmhc-schl.gc.ca/en/imquaf/flho/flho_001.cfm

Conclusion

Sustainable community infrastructure can deliver clean air and water to healthy homes, receive waste and wastewater, restore air, water and soil to its original pristine state and then return those elements to the ecosystem.

Most homes built today should adequately house Canadians for 50 years or more. Properly designed, constructed and maintained houses in well-planned new and existing communities need consume only a reasonable quantity of resources to provide a high-quality living environment for generations to come.

Many lessons in this regard have been learned. Concepts for greater sustainability are continually being explored and implemented at every level to benefit the ecosystem, the community, and even individual homes. These initiatives will reduce housing's impact on the environment, facilitate less resource-intensive development, and create healthier living conditions for Canadians.

Housing

AFFORDABILITY

Most households successful in finding acceptable housing

In 2001, based on estimates from the Census, almost seven in ten Canadian households lived in acceptable housing—that is, affordable, uncrowded housing in good repair. CMHC estimates that another 16.3 per cent could have obtained acceptable housing at a cost of less than 30 per cent of before-tax household income *(see Figure 68)*.

This left 13.7 per cent of Canadian households living in core housing need because they were unable to find acceptable housing.[99] This was down from 15.6 per cent in 1996, when labour force participation fell to a low for the decade. It was almost as low as the 13.6 per cent level of core housing need measured in 1991.[100]

Though improvements in the economy in the late 1990s helped ameliorate housing conditions, in 2001 high proportions of Aboriginal, lone-parent, unattached

FIGURE 68

HOUSING CONDITIONS OVERVIEW, CANADA, 1991-2001

		All households		Living in acceptable housing		Living in housing below one or more standards			
						Able to access acceptable housing		Unable to access acceptable housing - in core housing need	
		Total (thousands)	Per cent	Total (thousands)	Per cent	Total (thousands)	Per cent	Total (thousands)	Per cent
Canada	2001	10,806	100	7,557	69.9	1,764	16.3	1,485	13.7
	1996	10,028	100	6,799	67.8	1,662	16.6	1,567	15.6
	1991	9,372	100	6,533	69.7	1,569	16.7	1,270	13.6

Includes only private non-farm, non-band, non-reserve households with incomes greater than zero and shelter cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based housing indicators and data, revised 2005)

99 Some households classified as living in core housing need may be living in social housing that requires tenants to pay 30 per cent of their incomes as part of a rent-geared-to-income program.

100 Tables of revised housing conditions data are contained in the Appendix of Key Housing Statistics. For those accessing the electronic version of the *Canadian Housing Observer 2005* at www.cmhc-schl.gc.ca, the tables are in Microsoft® Excel to facilitate further analysis.

Core housing need estimates revised

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace the core housing need statistics in previous editions.

During verification of ongoing research, CMHC found that some households had been misclassified when Statistics Canada applied core housing need to both the 1996 and 2001 Censuses.

The misclassification overestimated core housing need for both the 1996 and 2001 Censuses.

The misclassification does not affect 1991 Census data.

There is more information about the effect of the misclassification at:
www.cmhc-schl.gc.ca/en/about/whwedo/whwedo_021.cfm

individual and recent-immigrant households—especially renters—still remained in housing need *(see Figure 69)*.

Renters are over-represented among those in core housing need. While 28.3 percent of renters were in core need, the comparable figure for owners was 6.6 percent. Rental households account for over two-thirds of those in core housing need.

This chapter analyzes housing affordability by household income to shed further light on the persistence of housing need in Canada.

Income limits housing choice

Household income limits housing choices for most households. For households with the lowest incomes, their income stream completely governs the housing choice. Households with successively higher incomes have more options. For them, choice involves balancing many competing considerations. These may include job location; family size, composition and circumstances; and dwelling and neighbourhood amenities. They then balance their preferences against their financial resources, which include current income, future income prospects and accumulated wealth. For Canadian homeowners, wealth is most often held as equity in their current housing. That equity can then be redeployed to obtain a dwelling which better suits preferences.

The affordability of the final housing choice is measured by a household's "shelter cost-to-income ratio" (STIR).

Average Canadian is well-housed

According to the Census, there were 11.6 million private households in Canada in 2001. The Census collected information about the cost of shelter for 11.3 million non-farm, non-reserve households. Of these 11.3 million households, 10.8 million reported positive incomes and interpretable shelter cost-to-income ratios, which are the basis for this chapter's examination of housing conditions and affordability.[101]

In 2001, the average Canadian household was twice as likely to own as it was to rent and spent one-fifth of its $61,000 before-tax income on housing.

This image can, however, be misleading, as many Canadians experience shelter cost-to-income ratios far from the average. For example, the 14 per cent of households with the highest incomes, averaging almost $155,000, own their homes nine times out of ten and spend just 10 per cent of their income on housing *(see Figure 70)*.

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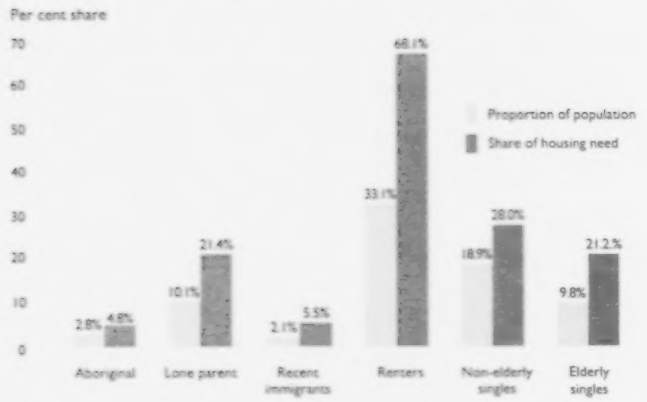
101 In the 2001 Census, just under 474,000 non-farm, non-reserve households reported information which, if used to measure housing affordability, results in STIRs showing that the households spent more on shelter than their income. In fact, the data they reported depicts them as spending on average over six times their 2000 incomes to pay for their 2001 shelter costs. CMHC cannot interpret the STIRs of these households and therefore excludes them when examining housing affordability and estimating core housing need. As the Census collects shelter costs being paid by the household in the month of the census, but collects incomes for the previous complete calendar year, the comparison of one to the other may result in very high STIRs for a small percentage of households whose circumstances changed notably between the two reference periods.

FIGURE 69

SHARE OF TOTAL HOUSEHOLDS COMPARED WITH SHARE OF HOUSING NEED, CANADA, 2001



Source: CMHC (Census-based housing indicators and data, revised 2005)

people under 65 years old. Indeed, seven in ten were non-elderly individuals.

Many of these non-elderly individuals were not in the labour force and were dependent on income security programs. With the shelter component of social assistance often being well below the actual cost of shelter, they were therefore two to three times more likely to be in core housing need than their counterparts in the labour force.[102] Based on their income, their housing problems are understandable.

The National Council of Welfare says single employable people are consistently the most impoverished of all welfare recipients, living off transfers in 2001 amounting to only 20 to 37 per cent of Statistics Canada's Low Income Cut-offs.[103]

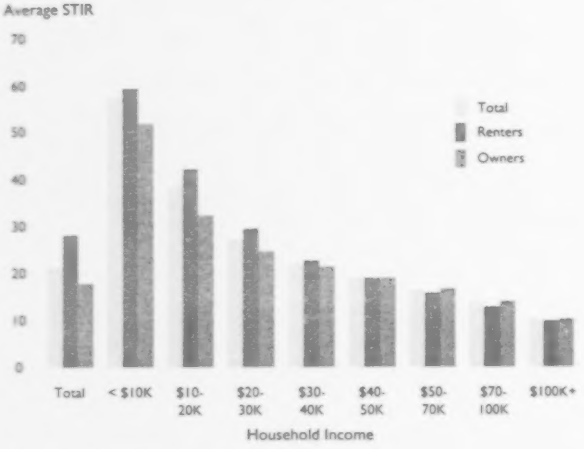
At the other end of the spectrum are the 16 per cent of households with the lowest incomes—under $20,000 a year. Close to two-thirds of these households rent their homes and have incomes so far below $20,000 that most cannot find acceptable housing and are in core housing need. Housing for those in core housing need is the focus of this chapter.

Unacceptable housing has a strong income dimension

The poorest households in Canada in 2001 occupied the bottom half of the lowest income group. They reported less than $10,000 in income and, compared to the average Canadian, were much more likely to be lone parents, Aboriginal persons, or both, and much more likely to rent their home. Four out of five households with less than $10,000 in income were in housing need. They were 3.6 times more likely than other Canadians to be unattached

FIGURE 70

SHELTER COST-TO-INCOME RATIOS (STIR) BY HOUSEHOLD INCOME, CANADA, 2001



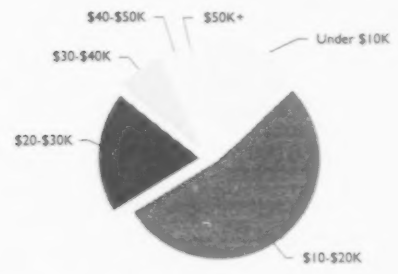
Source: CMHC (Census-based housing indicators and data)

102 CMHC research using both 1991 and 2001 Census data has come up with similar findings: people not in the labour force and dependent on government transfers for their major source of income are two to three times more likely to be in core housing need than people in the labour force who are not as dependent on government transfers.

103 Statistics Canada's Low Income Cut-offs represent the level of income below which families or single persons would have to spend a disproportionately large percentage of their income for the basic necessities of food, shelter and clothing; this level is set at 20 percentage points more than the average Canadian's level of expenditures for basic necessities. The National Council of Welfare compares welfare rates to Low Income Cut-offs to document both the inadequacy and deteriorating state of welfare incomes, especially those of single employable people. National Council of Welfare Reports, *Welfare Incomes 2003*, Volume 121, Spring 2004 Minister of Public Works and Government Services Canada, pp. 58-69.

FIGURE 71

HOUSEHOLDS IN CORE NEED
BY INCOME CATEGORY, CANADA, 2001



The pie represents 100% of those in core housing need. For more details concerning the total number and percentage of households within each income group in core housing need, please consult Table 22 in the Appendix, Key Housing Statistics.

Source: CMHC (Census-based housing indicators and data, revised 2005)

Dependent on welfare payments, households in the bottom income bracket—incomes averaging $7,252—were unable to benefit from the improving economy in the 1990s. Four in five of these lowest-income households were in housing need in 2001. Figure 71 profiles the total number of households in core housing need in Canada by income category.

Six in ten households in the $10,000 to $20,000 income bracket experience housing need

The story is at once similar yet different for households in the top half of the lowest income group—with incomes between $10,000 and $20,000. Though renters, Aboriginal households, lone-parent households and unattached individuals under 65 were also over-represented in this income category, this group is particularly distinguished by a high proportion of elderly individuals. Indeed, while elderly individuals constituted just 9.8 per cent of all Canadian households in 2001, they comprised 43.9 per cent of households in the $10,000-to-$20,000 income bracket.

The concentration is not surprising. While federal Old Age Security (OAS), Guaranteed Income Supplement (GIS) and Canada or Quebec pension payments leave them modestly better off than their counterparts under 65, the National Council of Welfare has concluded that none of these programs by themselves will lift an unattached senior or senior couple out of poverty.[104]

As a result, almost six in ten households in the $10,000-to-$20,000 income bracket were in core housing need in 2001 *(see Table 22 in the Appendix, Key Housing Statistics).*

Ninety-seven per cent of renters earning less than $20,000, and in housing need, have affordability problems

Core housing need arises in any one of three circumstances: inadequate housing (that is in need of major repair); unsuitable housing (overcrowded); or unaffordable housing (too expensive relative to household income). In every case, to be defined as a household in core need, that household must also be unable to afford alternative housing that does meet proper standards. In terms of type of need, 97 per cent of all renters in need in the two under-$20,000 income brackets had affordability problems. They spent 30 per cent, and often much more, of their low incomes on housing. Many also lived in dwellings too small for their household size or in dwellings in need of major repairs.

Overall, only nine per cent of all renter households in need paid less than 30 per cent of income for housing. But these households were still in need, because they lived in crowded or inadequate housing and could not have obtained housing which meets their needs without incurring affordability problems. Of the one million renter households in core housing need, three-quarters had incomes of less than $20,000 *(see Table 23 in the Appendix).* Nearly half of them spent 50 per cent or more of their average income of $12,600 on housing alone. Because of their slightly higher levels of income support, the proportion of senior renters spending 50 per cent or more of their income on housing was slightly less, at just under one-third.

Housing need falls to one in five households at incomes of $20,000 to $30,000

Households in the next income bracket—with incomes between $20,000 and $30,000—were almost evenly split along tenure lines, with 52 per cent owning and 48 per cent renting. The proportion of these households that are Aboriginal, lone-parent or unattached individuals under 65 is also much closer to the figures for all Canadian households.

104 National Council of Welfare Reports, *Poverty Profile 2001*, Volume 122, Autumn 2004, Minister of Public Works and Government Services Canada, page 58.

Housing need in this income bracket falls to one in five households *(see Table 22 in the Appendix)*. Among those in need at the bottom end of this income bracket are recent-immigrant, urban renters who arrived in Canada in the last five years. Eighty per cent of these are family households living on incomes averaging $22,895, of which they paid half on housing. These households experience housing problems for some of the same reasons as unattached individuals under 65 with incomes under $10,000. Specifically, the vulnerability of recent-immigrant renters to housing instability and need is linked to their initial difficulty in finding suitable work and to their low incomes resulting from a preliminary dependency on income-support programs.[105]

Housing need drops off sharply at higher income levels

Within the $40,000-to-$50,000 income bracket, the tenure split reaches the Canadian average of two-thirds owners to one-third renters. Canadian households most vulnerable to core housing need, notably Aboriginal, lone-parent, and non-elderly households, are now all found in average proportions. Elderly households in this income range are under-represented relative to their share of all Canadian households, and core housing need for the income group overall falls to three per cent *(see Table 22 in the Appendix)*. Above this income level, ownership predominates and household types particularly prone to being in housing need fall to well below average proportions and the percentage of households in core need falls to zero.

Differences in the pattern of core need incidence by tenure

There are significant differences between renter- and owner-income distributions when it comes to core need. These differences merit closer examination.

Matching tenure charts of the distribution of households by income and core housing need show how need peaks much higher for renters than owners in the lowest-income levels but falls off more quickly for renters than owners in the higher-income levels *(see Figure 72)*.

Interestingly, in the very lowest income bracket—$10,000 and less—eight in ten households fall into housing need regardless of whether they own or rent their homes *(see Table 22 in the Appendix)*.

Very few renters or owners were in housing need when the household's income reached $40,000 or more in 2001. In fact, just 1.4 per cent of renter households and 0.4 per cent of owner households with incomes of $40,000 or more were in housing need *(see Figure 72)*.

Some postulate that certain Canadian households, currently classified as being in core housing need, may be income-poor but asset-rich. The next section examines this hypothesis. With housing itself being the most widely held asset class in Canada, the investigation starts by looking at home value and equity before looking at other household assets.

Core housing need and home value

Though the Census does not collect data on household assets and debts, it does ask homeowners for the estimated value of their dwellings. While owners in housing need have relatively low incomes, over one-third (38.7 per cent) reported living in dwellings they estimated as averaging $150,000 or more in value in 2001. Two-thirds of these owners were under 65 and had mortgages while a small number were seniors with mortgages. Both of these groups are examined further in the next section, using 1999 *Survey of Financial Security* (SFS) data to determine whether they might have been able to gain enough equity from their homes to rent acceptable housing without being in housing need.

Twenty per cent of owners in housing need living in dwellings they estimated as averaging $150,000 or more in value were mortgage-free. Comprised of 18,395 seniors and 20,115 non-seniors—38,510 or 8.1 per cent of all owners in housing need—these households possessed considerable home equity which, if converted into income-producing assets, could possibly have enabled them to rent acceptable housing without being in core housing need. Using 1999 SFS data, the next section examines the complete asset profile of these mortgage-free owners and all other households in housing need to gain a deeper understanding of their financial security.

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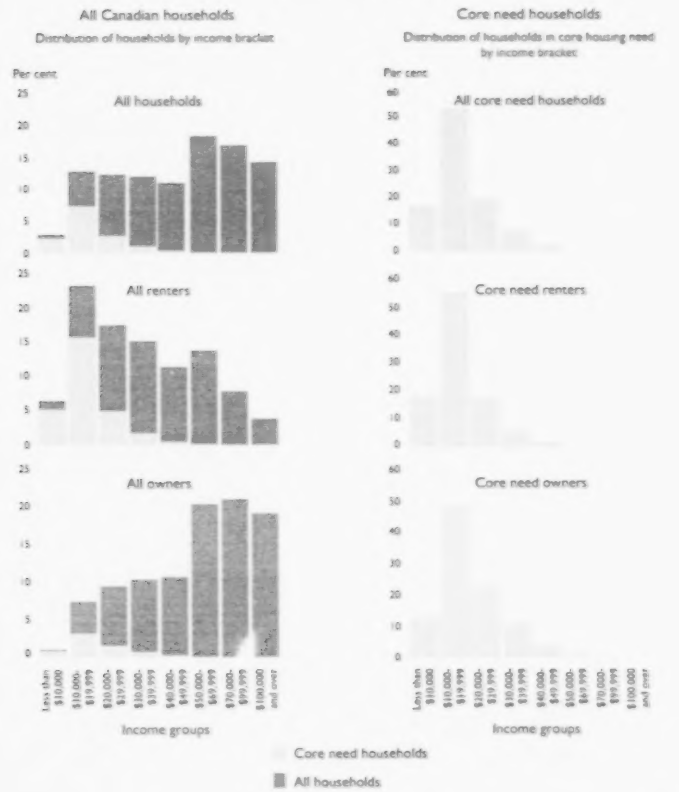
105 Farrell, Michael, "Responding to housing instability among newcomers," *Canadian Issues*, summer 2005.

FIGURE 72

CORE HOUSING NEED BY TENURE AND HOUSEHOLD INCOME, 2001



Includes only private non-farm, non-band, non-reserve households with incomes greater than zero and STIRs less than 100%.

Source: CMHC (Census-based housing indicators and data, revised 2005)

Few in housing need have the wealth needed for security

The first and most obvious finding from the financial profiles of households who were in housing need because of affordability problems is that renters with housing affordability problems have little or no wealth *(see Figure 73)*.

Possessing, on average, only $21,000 in net worth, they had few assets to draw on to alleviate their housing problems. Indeed, seniors—the best off of the needy renters—averaged only $41,000 in net worth.

Their low net worth indicates that employer pensions were probably not a significant contributor to their financial security. With only $22,000 in liquid assets, they also had little in investments, RRSPs or RRIFs. Their financial profile corroborates evidence offered earlier that senior renters in need are mainly dependent on public pensions and income-support programs.

Census data show that 183,535, or 38.7 per cent of owners in housing need, were in income brackets $20,000 and up and lived in dwellings for which the average value was $150,000 or more *(see Table 24 in Appendix)*. Four-fifths of these owners in need had

FIGURE 73

HOUSEHOLDS WITH AFFORDABILITY NEED BY TENURE, INCOME, HOME EQUITY, NET WORTH, AND LIQUID ASSETS, CANADA, 1999

Tenure and age	Average income	Average home equity	Average net worth	Average liquid assets
Owner with mortgage	$21,000	$62,000	$146,000	$27,000
Non-senior	$21,000	$60,000	$143,000	$28,000
Senior	$20,000	$85,000	$170,000	$16,000
Owner mortgage-free	$13,000	$149,000	$310,000	$77,000
Non-senior	$12,000	$140,000	$318,000	$78,000
Senior	$15,000	$160,000	$300,000	$77,000
Renter	$15,000	-	$21,000	$10,000
Non-senior	$15,000	-	$15,000	$6,000
Senior	$15,000	-	$41,000	$22,000

Net worth refers to the sum of a household's equity in their home (for the 36% of households in need which own their homes), retirement assets (value of employer pensions plus RRSPs and RRIFs), financial investment assets, and other assets including business equity, vehicles, secondary property, and household effects. Households with negative net worth after debt are included in the computation of average net worth.

Liquid assets refers to the sum of only those assets which can be readily converted into cash. They include only RRSPs, RIFFs and financial investments.

Source: CMHC (estimates derived from Statistics Canada's *1999 Survey of Financial Security*)

mortgages, however the sizes of these mortgages were unknown, making it impossible to determine from Census data if they had any substantial home equity. The 1999 SFS estimates of households with housing affordability problems helps us overcome this Census data gap to show that:

- non-senior owners in need who had mortgages averaged just $60,000 in home equity, and
- senior owners in need with mortgages averaged only $85,000 in home equity.

It therefore appears that neither group had enough home equity to say without doubt that they could have avoided being in housing need if it they had converted to renting and redeployed their resources.

Outside of home equity, these groups possessed, on average, just $83,000 to $85,000 of other wealth *(derived from Figure 73)*.

Aside from any home equity and wealth invested in inaccessible pension assets, non-senior owners in need with mortgages had just $28,000 in available liquid assets and senior owners with mortgages just $16,000 in available liquid assets. In conclusion, they had very limited resources available to resolve their housing problems.

As mentioned, however, the Census shows that 8.1 per cent—38,510—of all owners in housing need were mortgage-free and lived in dwellings they reported as averaging $150,000 or more in value. Examining the best possible match for this group of owners in need using the 1999 SFS, Figure 73 shows that, in addition to having equity in their homes averaging around $150,000 (more for seniors than non-seniors), these households also had about $160,000 of additional wealth.

Excluding wealth vested in inaccessible pension assets but including home equity, mortgage-free non-senior and senior homeowners in housing need averaged, respectively, $218,000 and $237,000 in assets *(derived from Figure 73)*. This group would probably have been able to stave off being in housing need had it chosen to rent, rather than own, acceptable housing.

The housing affordability challenge

Though the housing circumstances of households in core housing need vary, low income remains the crux of the problem for most. For some, such as those in the less-than-$10,000 income group, it is a severe problem; for others, more marginally so.

Analyses using the 1999 SFS data mentioned above show that an insignificant number of the renter households, which make up over two-thirds of all households in need, and few of the owner households in core need (even those at the upper end of the income range) have accumulated sufficient wealth that they could draw on to resolve their housing problems.

The concern that there might be a significant number of asset-rich, income-poor owners swelling the ranks of the "housing needy" is therefore not borne out. Aggregate 2001 Census and 1999 SFS data indicate that, perhaps at most, some 8.1 per cent of owners in core housing need in 2001 possessed home equity and other financial resources that likely could have enabled them to address their own housing affordability problems. Virtually no renter households in core housing need had the financial resources to address their own housing problems. In conclusion, the housing challenge documented by core housing need was very real for close to 1.5 million Canadian households in 2001.

The challenge, though, is not the same for all households in need. Differences in the housing and income circumstances of households in core housing need call for wide-ranging strategies. Moreover, some people have special housing needs that require more than just a housing response. They would require a much more comprehensive continuum of both housing and support services to significantly improve their current circumstances.

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TABLE 1

Housing Market Indicators, Canada, 1995–2004

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Construction										
Starts, total	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034	218,426	233,431
Starts, single	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374	123,227	129,171
Starts, multiple	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660	95,199	104,260
Semi-detached	7,536	9,305	11,385	10,043	11,096	11,530	11,883	13,584	13,644	14,297
Row	11,887	14,350	17,256	15,287	14,895	15,247	15,166	18,482	20,343	22,067
Apartment	27,085	23,062	25,213	25,678	31,787	32,692	39,658	47,594	61,212	67,896
Starts by Intended Market:[1]										
Homeownership	56,684	71,553	88,009	82,892	89,189	92,283	95,125	123,106	121,890	124,678
Rental	7,998	6,643	7,559	6,531	9,276	10,155	14,681	18,841	19,939	20,343
Condo	24,106	23,076	27,471	27,351	28,434	28,319	31,986	36,798	49,212	58,852
Other	738	532	182	19	204	295	488	379	870	516
Total	89,526	101,804	123,221	116,793	127,103	131,052	142,280	179,124	191,911	204,389
Completions, total	119,501	117,834	143,386	133,941	140,986	145,873	151,936	185,626	199,244	215,621
Resale Market										
MLS® sales (units)[2]	260,993	324,349	331,092	314,569	335,490	334,375	381,484	418,260	435,421	456,503
MLS® sales/new listings (per cent)[2]	38.6	47.6	49.9	49.6	56.3	55.9	62.7	68.6	65.8	63.7
Available Supply										
Newly completed and unabsorbed[3] homes	19,935	14,278	13,738	15,079	14,230	13,587	10,509	10,251	11,392	14,392
Single and semi-detached	7,914	6,371	6,443	6,877	6,304	6,319	5,291	4,755	5,092	5,797
Row and apartment	12,021	7,907	7,295	8,202	7,926	7,268	5,218	5,496	6,300	8,595
Housing stock (thousands)[1]	11,226	11,359	11,499	11,629	11,767	11,908	NA	NA	NA	NA
Rental vacancy rate (per cent)[4]	4.5	4.5	4.5	4.0	3.2	2.2	1.7	2.1	2.6	2.9
Housing Costs										
MLS® average price ($)[2]	150,720	150,886	154,606	152,365	158,145	163,992	171,743	188,973	207,091	227,210
New Housing Price Index (per cent change)[5]	-1.2	-1.9	0.8	0.9	0.9	2.2	2.7	4.1	4.8	5.5
Consumer Price Index (per cent change)[5]	2.2	1.6	1.6	1.0	1.7	2.7	2.5	2.2	2.8	1.8
Construction materials cost index (per cent change)	5.4	2.2	0.7	-0.3	4.5	-0.5	0.4	1.9	1.3	6.6
Construction wage rate index (per cent change)[5]	NA	NA	NA	0.6	2.4	3.8	2.2	1.1	2.4	1.4
Owned accommodation costs (per cent change)[5]	1.5	-0.7	-1.0	0.1	1.1	2.6	2.9	1.7	3.0	2.8
Rental accommodation costs (per cent change)[5]	1.4	1.3	1.2	1.1	1.0	1.1	1.6	2.0	1.5	1.1
Average rent ($):[4]										
Bachelor	409	413	420	432	448	469	490	503	516	523
One-bedroom	515	522	527	543	560	582	606	626	637	645
Two-bedroom	589	593	597	616	628	647	672	693	703	719
3+ bedroom	657	654	662	679	697	720	751	774	788	806
Demand Influences										
Population on July 1 (thousands)[1]	29,302	29,611	29,907	30,157	30,404	30,689	31,021	31,373	31,660	31,946
Labour force participation rate (per cent)[1]	64.8	64.6	64.8	65.0	65.5	65.8	65.9	66.9	67.5	67.6
Employment (per cent change)[1]	1.7	0.9	2.1	2.5	2.6	2.6	1.3	2.4	2.3	1.8
Unemployment rate (per cent)[1]	9.6	9.7	9.2	8.4	7.6	6.8	7.2	7.7	7.6	7.2
Real disposable income (per cent change)[5]	2.2	0.0	1.8	2.9	3.0	5.0	2.5	1.7	1.4	1.2
1-year mortgage rate (per cent)	8.38	6.19	5.54	6.50	6.80	7.85	6.14	5.17	4.84	4.59
3-year mortgage rate (per cent)	8.82	7.33	6.56	6.77	7.37	8.17	6.88	6.28	5.82	5.65
5-year mortgage rate (per cent)	9.16	7.93	7.07	6.93	7.56	8.35	7.40	7.02	6.39	6.23
Net migration[1]	161,792	166,553	154,022	117,263	158,015	198,753	243,985	209,104	188,250	193,260
Housing in GDP ($ millions)[5]										
Rent imputed to owners	69,449	71,761	74,080	76,751	79,346	82,586	86,014	90,313	94,618	99,530
Rent paid by tenants	24,869	25,632	26,425	27,223	28,173	29,059	30,100	31,507	32,917	34,378
Total consumption-related spending (including repairs)	114,203	118,060	121,535	124,150	129,025	135,618	141,408	147,594	155,844	162,885
New construction (including acquisition costs)	17,302	18,128	21,503	21,106	22,321	23,676	25,928	33,279	36,970	42,365
Alterations and improvements	13,003	14,220	15,009	14,904	15,661	17,549	20,632	22,089	24,640	27,992
Transfer costs	6,007	7,409	7,253	6,722	7,375	7,617	8,800	10,683	12,372	14,338
Total residential investment	36,312	39,757	43,765	42,732	45,357	48,842	55,360	66,051	73,982	84,695
Total housing-related spending in GDP[6]	150,515	157,817	165,300	166,882	174,382	184,460	196,768	213,645	229,826	247,580

1 Housing units in centres 10,000+
2 MLS® is a registered trademark of the Canadian Real Estate Association.
3 Housing units in centres 50,000+ for which construction has been completed but which have not been rented or sold
4 In privately initiated apartment structures with at least 3 units
5 Statistics Canada (CANSIM II)
6 CMHC, adapted from Statistics Canada (CANSIM II)

Source: CMHC (*Starts and Completions Survey, Market Absorption Survey, Rental Market Survey*); CREA (MLS®); Bank of Canada (mortgage rates); Statistics Canada (CANSIM II and custom tabulation of construction materials cost index)

TABLE 2

Total Housing Starts, Canada, Provinces and Metropolitan Areas, 1995–2004 (units)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034	218,426	233,431
Provinces										
Newfoundland and Labrador	1,712	2,034	1,696	1,450	1,371	1,459	1,788	2,419	2,692	2,870
Prince Edward Island	422	554	470	524	616	710	675	775	814	919
Nova Scotia	4,168	4,059	3,813	3,137	4,250	4,432	4,092	4,970	5,096	4,717
New Brunswick	2,300	2,722	2,702	2,447	2,776	3,079	3,462	3,862	4,489	3,947
Quebec	21,885	23,220	25,896	23,138	25,742	24,695	27,682	42,452	50,289	58,448
Ontario	35,818	43,062	54,072	53,830	67,235	71,521	73,282	83,597	85,180	85,114
Manitoba	1,963	2,318	2,612	2,895	3,133	2,560	2,963	3,617	4,206	4,440
Saskatchewan	1,702	2,438	2,757	2,965	3,089	2,513	2,381	2,963	3,315	3,781
Alberta	13,906	16,665	23,671	27,122	25,447	26,266	29,174	38,754	36,171	36,270
British Columbia	27,057	27,641	29,351	19,931	16,309	14,418	17,234	21,625	26,174	32,925
Metropolitan Areas										
St. John's	745	1,001	932	741	807	935	1,029	1,350	1,604	1,834
Halifax	2,080	2,022	2,065	1,739	2,356	2,661	2,340	3,310	3,066	2,627
Saint John	267	306	234	278	296	346	374	397	580	516
Saguenay	311	309	500	502	305	296	336	596	435	347
Québec	2,405	2,208	2,233	1,845	1,814	2,275	2,555	4,282	5,599	6,186
Sherbrooke	582	797	756	590	645	515	589	857	1,070	1,355
Trois-Rivières	519	486	520	599	380	337	324	619	635	874
Montréal	7,468	7,556	10,508	10,293	12,366	12,766	13,300	20,554	24,321	28,673
Gatineau	1,208	1,044	1,262	1,244	1,185	1,224	1,659	2,553	2,801	3,227
Ottawa	2,190	3,066	3,485	3,615	4,447	5,786	6,251	7,796	6,381	7,243
Kingston	323	533	559	486	656	659	707	810	1,131	872
Oshawa	1,330	1,563	2,064	1,759	2,463	2,874	2,561	3,490	3,907	3,153
Toronto	16,325	18,998	25,574	25,910	34,904	38,982	41,017	43,805	45,475	42,115
Hamilton	2,001	2,642	3,698	3,627	3,923	3,108	3,365	3,803	3,260	4,093
St. Catharines - Niagara	898	995	1,462	1,319	1,485	1,230	1,134	1,317	1,444	1,781
Kitchener	1,105	1,968	2,171	2,549	2,821	3,509	3,537	4,130	3,955	3,912
London	1,016	1,394	1,807	2,027	1,773	1,713	1,607	2,604	3,027	3,078
Windsor	1,495	2,300	2,102	1,938	2,387	2,382	2,157	2,490	2,237	2,287
Greater Sudbury	336	346	281	165	199	173	191	298	306	388
Thunder Bay	288	296	266	224	232	154	211	197	211	287
Winnipeg	1,104	1,135	1,518	1,575	1,772	1,317	1,473	1,821	2,430	2,489
Regina	371	434	516	537	573	615	626	651	889	1,242
Saskatoon	697	1,208	1,187	1,137	1,273	968	900	1,489	1,455	1,578
Calgary	5,685	7,111	11,215	12,495	10,600	11,093	11,349	14,339	13,642	14,008
Edmonton	3,082	3,634	4,962	5,947	6,655	6,228	7,855	12,581	12,380	11,488
Abbotsford	886	865	871	536	566	405	418	1,038	1,056	1,083
Vancouver	14,992	15,453	15,950	11,878	8,677	8,203	10,862	13,197	15,626	19,430
Victoria	1,299	1,142	1,311	964	1,340	872	1,264	1,344	2,008	2,363

Source: CMHC (*Starts and Completions Survey*)

TABLE 3

Single Housing Starts, Canada, Provinces and Metropolitan Areas, 1995–2004 (units)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374	123,227	129,171
Provinces										
Newfoundland and Labrador	1,165	1,395	1,220	1,086	1,233	1,315	1,598	2,092	2,240	2,229
Prince Edward Island	364	430	374	387	472	614	551	582	613	682
Nova Scotia	3,040	3,278	2,939	2,257	3,345	2,856	2,761	3,363	2,968	3,270
New Brunswick	1,722	2,173	2,125	1,989	2,201	2,442	2,573	2,769	3,139	2,970
Quebec	13,428	14,818	16,073	14,685	15,798	15,349	17,193	25,257	27,225	28,871
Ontario	20,124	27,019	35,401	32,737	39,421	41,087	39,632	51,114	47,610	48,929
Manitoba	1,564	1,875	2,019	2,368	2,231	2,348	2,460	3,016	3,165	3,484
Saskatchewan	1,341	1,612	1,954	2,154	2,070	1,890	1,627	1,931	2,097	2,193
Alberta	10,096	12,949	18,170	20,077	16,688	16,835	19,769	24,520	21,918	22,487
British Columbia	11,581	12,447	12,911	8,691	8,731	7,448	7,862	10,730	12,252	14,056
Metropolitan Areas										
St. John's	312	524	522	475	688	825	875	1,093	1,213	1,275
Halifax	1,173	1,578	1,385	1,125	1,669	1,373	1,296	1,865	1,483	1,510
Saint John	195	217	175	216	255	309	325	338	405	387
Saguenay	166	237	335	331	243	203	228	254	244	244
Québec	1,077	1,006	1,247	1,108	1,165	1,262	1,581	2,327	2,674	2,704
Sherbrooke	332	309	419	329	305	283	283	416	511	521
Trois-Rivières	217	229	232	233	205	225	224	250	346	384
Montréal	3,819	3,781	5,203	5,657	6,522	6,800	7,151	10,416	10,360	10,578
Gatineau	548	528	638	687	640	768	1,093	1,574	1,507	1,561
Ottawa	807	1,439	2,053	2,248	2,837	3,494	3,502	3,807	3,055	3,245
Kingston	202	207	386	388	437	500	537	775	718	701
Oshawa	1,035	1,216	1,736	1,400	2,150	2,152	2,038	2,955	3,074	2,356
Toronto	6,879	10,152	14,203	12,696	15,535	17,119	16,844	22,115	19,626	19,076
Hamilton	1,057	1,472	2,239	1,736	1,906	1,884	1,842	2,259	1,743	1,995
St. Catharines - Niagara	565	668	1,007	996	1,026	962	916	1,032	1,154	1,292
Kitchener	759	1,339	1,539	1,759	2,002	2,261	2,197	3,007	2,663	2,374
London	579	804	1,309	1,309	1,344	1,198	1,317	1,969	1,893	2,336
Windsor	1,217	1,629	1,574	1,355	1,761	1,748	1,605	1,726	1,632	1,539
Greater Sudbury	257	300	242	161	131	169	191	292	296	374
Thunder Bay	196	162	184	161	192	141	163	193	199	241
Winnipeg	840	838	1,192	1,190	1,204	1,210	1,238	1,528	1,641	1,882
Regina	323	362	370	468	403	459	401	504	521	605
Saskatoon	479	635	709	692	724	602	542	691	676	753
Calgary	4,387	5,862	8,656	9,219	6,613	6,749	7,559	9,413	8,526	8,233
Edmonton	2,159	2,944	3,685	4,080	4,075	4,072	4,959	6,860	6,391	6,614
Abbotsford	429	556	527	426	400	381	412	558	634	607
Vancouver	4,526	5,072	4,685	3,373	3,568	3,132	3,512	4,980	5,382	5,614
Victoria	449	586	637	520	531	531	631	879	969	1,038

Source: CMHC (*Starts and Completions Survey*)

TABLE 4

Multiple Housing Starts, Canada, Provinces and Metropolitan Areas, 1995–2004 (units)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660	95,199	104,260
Provinces										
Newfoundland and Labrador	547	639	476	364	138	144	190	327	452	641
Prince Edward Island	58	124	96	137	144	96	124	193	201	237
Nova Scotia	1,128	781	874	880	905	1,576	1,331	1,607	2,128	1,447
New Brunswick	578	549	577	458	575	637	889	1,093	1,350	977
Quebec	8,457	8,402	9,823	8,453	9,944	9,346	10,489	17,195	23,064	29,577
Ontario	15,694	16,043	18,671	21,093	27,814	30,434	33,650	32,483	37,570	36,185
Manitoba	399	443	593	527	902	212	503	601	1,041	956
Saskatchewan	361	826	803	811	1,019	623	754	1,032	1,218	1,588
Alberta	3,810	3,716	5,501	7,045	8,759	9,431	9,405	14,234	14,253	13,783
British Columbia	15,476	15,194	16,440	11,240	7,578	6,970	9,372	10,895	13,922	18,869
Metropolitan Areas										
St. John's	433	477	410	266	119	110	154	257	391	559
Halifax	907	444	680	614	687	1,288	1,044	1,445	1,583	1,117
Saint John	72	89	59	62	41	37	49	59	175	129
Saguenay	145	72	165	171	62	93	108	342	191	103
Québec	1,328	1,202	986	737	649	1,013	974	1,955	2,925	3,482
Sherbrooke	250	488	337	261	340	232	306	441	559	834
Trois-Rivières	302	257	288	366	175	112	100	369	289	490
Montréal	3,649	3,775	5,305	4,636	5,844	5,966	6,149	10,138	13,961	18,095
Gatineau	660	516	624	557	545	456	566	979	1,294	1,666
Ottawa	1,383	1,627	1,432	1,367	1,610	2,292	2,749	3,989	3,326	3,998
Kingston	121	326	173	98	219	159	170	35	413	171
Oshawa	295	347	328	359	313	722	523	535	833	797
Toronto	9,446	8,846	11,371	13,214	19,369	21,863	24,173	21,690	25,849	23,039
Hamilton	944	1,170	1,459	1,891	2,017	1,224	1,523	1,544	1,517	2,098
St. Catharines - Niagara	333	327	455	323	459	268	218	285	290	489
Kitchener	346	629	632	790	819	1,248	1,340	1,123	1,292	1,538
London	437	590	498	718	429	515	290	635	1,134	742
Windsor	278	671	528	583	626	634	552	764	605	748
Greater Sudbury	79	46	39	4	68	4	0	6	10	14
Thunder Bay	92	134	82	63	40	13	48	4	12	46
Winnipeg	264	297	326	385	568	107	235	293	789	607
Regina	48	72	146	69	170	156	225	147	368	637
Saskatoon	218	573	478	445	549	366	358	798	779	825
Calgary	1,298	1,249	2,559	3,276	3,987	4,344	3,790	4,926	5,116	5,775
Edmonton	923	690	1,277	1,867	2,580	2,156	2,896	5,721	5,989	4,874
Abbotsford	457	309	344	110	166	24	6	480	422	476
Vancouver	10,466	10,381	11,265	8,505	5,109	5,071	7,350	8,217	10,244	13,816
Victoria	850	556	674	444	809	341	633	465	1,039	1,325

Source: CMHC (*Starts and Completions Survey*)

TABLE 5

MLS® Total Residential Sales, Canada, Provinces and Metropolitan Areas, 1995–2004 (units)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	260,993	324,349	331,092	314,569	335,490	334,375	381,484	418,260	435,421	456,503
Provinces										
Newfoundland and Labrador	1,655	2,005	2,170	2,288	2,437	2,593	2,808	3,014	3,238	3,380
Prince Edward Island	476	750	806	1,125	1,184	1,206	1,234	1,306	1,404	1,500
Nova Scotia	7,019	8,372	7,567	8,052	8,827	8,577	9,441	10,243	9,221	8,873
New Brunswick	3,496	4,023	3,941	3,908	4,376	4,524	4,779	5,089	5,489	5,979
Quebec	29,776	39,135	43,463	45,192	49,792	54,160	62,351	67,179	67,481	64,907
Ontario	114,000	140,425	141,435	138,479	148,659	147,158	162,318	178,058	184,457	197,354
Manitoba	9,749	10,965	11,180	10,762	10,867	10,612	11,440	11,108	11,523	12,098
Saskatchewan	7,349	8,689	8,346	8,068	8,053	7,552	7,971	7,933	7,698	8,172
Alberta	29,098	37,485	43,693	43,383	42,684	43,311	48,989	51,042	51,334	57,460
British Columbia	58,082	72,182	68,182	52,910	58,084	54,179	69,554	82,737	93,095	96,385
Metropolitan Areas										
St. John's	1,572	1,915	2,080	2,131	2,298	2,453	2,675	2,893	3,119	3,203
Halifax	4,364	5,442	5,072	5,129	5,853	5,610	6,212	6,687	5,813	5,516
Saint John	1,078	1,346	1,274	1,353	1,530	1,484	1,510	1,505	1,636	1,612
Saguenay	640	1,033	1,009	933	1,043	1,219	1,362	1,436	1,557	1,617
Québec	4,679	5,473	6,427	6,363	6,570	7,311	8,204	8,771	7,965	8,065
Sherbrooke	1,434	1,597	1,663	1,628	1,764	1,971	1,951	2,178	2,304	2,586
Trois-Rivières	864	1,136	956	1,035	1,213	1,279	1,363	1,532	1,492	1,588
Montréal	20,199	26,659	30,167	31,468	35,325	37,269	43,486	46,931	47,787	44,175
Gatineau	1,243	1,766	2,071	2,306	2,708	3,582	4,549	4,518	4,600	4,634
Ottawa	6,484	8,648	9,431	9,552	11,334	12,692	12,240	12,894	12,877	13,457
Kingston	1,727	2,272	2,400	2,500	2,728	2,838	3,274	3,646	3,651	3,764
Oshawa	4,310	7,185	7,274	7,073	7,370	7,282	8,085	8,520	9,025	9,997
Toronto	48,280	58,283	58,841	55,360	58,957	58,349	67,612	74,759	79,366	84,854
Hamilton	7,737	10,224	9,972	10,017	10,543	10,347	11,334	12,482	12,807	13,176
St. Catharines - Niagara	4,609	5,457	5,509	5,794	5,863	5,207	5,488	5,951	6,174	6,723
Kitchener	3,467	4,666	4,307	4,365	4,695	4,569	4,816	5,253	5,310	5,931
London	5,510	6,906	6,454	6,562	6,864	6,616	7,503	8,290	8,412	9,238
Windsor	4,326	4,898	4,807	4,676	4,692	4,616	4,741	4,938	5,381	5,832
Greater Sudbury	1,710	2,198	1,901	1,693	1,744	1,825	1,937	2,031	2,191	2,500
Thunder Bay	1,395	1,458	1,431	1,311	1,301	1,279	1,354	1,599	1,662	1,447
Winnipeg	8,868	9,905	10,042	9,748	9,770	9,465	10,215	9,881	10,201	10,797
Regina	2,588	3,099	2,926	2,886	2,781	2,612	2,792	2,817	2,640	2,785
Saskatoon	2,814	3,359	3,153	3,010	3,039	2,758	2,987	2,941	2,848	2,999
Calgary	13,003	17,766	21,559	20,554	20,197	19,828	22,512	24,706	24,359	26,511
Edmonton	8,904	11,566	13,017	13,727	13,594	14,189	16,079	15,923	16,277	17,652
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	22,229	28,555	26,946	19,612	22,944	21,244	28,732	34,909	39,022	37,972
Victoria	5,142	6,231	5,845	4,981	5,063	4,863	6,410	7,069	7,581	7,685

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The geographic definitions used by CREA differ from those used by Statistics Canada.

Source: CREA (MLS®)

TABLE 6

MLS® Average Residential Price, Canada, Provinces and Metropolitan Areas, 1995–2004 (dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	150,720	150,886	154,606	152,365	158,145	163,992	171,743	188,973	207,091	227,210
Provinces										
Newfoundland and Labrador	89,525	93,661	92,226	91,514	94,359	99,525	104,376	113,081	119,822	130,096
Prince Edward Island	73,803	83,922	86,403	79,577	82,138	82,884	87,696	94,964	101,745	110,815
Nova Scotia	89,788	93,444	96,693	97,015	102,628	109,839	115,485	126,669	136,292	146,096
New Brunswick	83,993	84,198	87,204	85,948	88,072	91,624	95,947	100,129	105,858	112,933
Quebec	98,685	98,435	101,715	103,947	107,501	111,296	115,820	130,913	152,042	173,725
Ontario	155,163	155,725	164,301	167,112	174,049	183,841	193,357	210,901	226,824	245,229
Manitoba	81,897	85,318	85,404	86,419	86,423	87,884	93,192	96,531	106,788	119,245
Saskatchewan	73,796	77,478	83,978	87,577	91,396	94,047	98,310	101,297	104,995	110,824
Alberta	114,772	117,673	124,865	132,905	139,621	146,258	153,737	170,253	182,845	194,769
British Columbia	221,860	218,687	220,512	212,046	215,283	221,371	222,822	238,877	259,968	289,107
Metroplitan Areas										
St. John's	89,655	94,142	92,797	92,560	95,606	100,763	105,237	114,626	121,292	132,993
Halifax	103,011	105,869	109,827	114,025	118,522	128,003	134,106	148,737	162,486	175,132
Saint John	83,498	82,066	86,171	87,087	88,731	93,697	97,348	103,544	106,473	116,836
Saguenay	69,038	69,313	71,554	72,619	75,803	77,166	80,213	83,982	87,870	93,243
Québec	83,800	84,994	84,051	85,883	88,091	90,079	93,354	102,627	117,586	129,149
Sherbrooke	79,018	81,232	85,711	87,369	89,258	93,269	98,167	105,938	118,348	138,473
Trois-Rivières	67,034	68,341	69,554	69,384	68,698	69,571	70,144	75,363	81,960	90,728
Montréal	106,896	105,729	109,720	112,516	116,218	121,544	125,744	143,589	167,047	194,692
Gatineau	94,074	94,351	90,275	90,353	90,989	92,338	99,990	112,971	130,526	150,264
Ottawa	143,127	140,513	143,866	143,914	149,626	159,511	175,972	200,711	219,713	238,152
Kingston	122,791	120,917	124,123	124,787	126,803	129,639	132,048	144,413	159,694	175,821
Oshawa	155,550	151,985	158,376	163,369	169,568	179,241	186,448	204,103	219,341	237,799
Toronto	195,311	196,476	210,453	216,795	228,372	243,249	251,508	275,887	293,308	315,266
Hamilton	141,109	142,267	151,538	153,628	158,162	164,168	172,567	183,442	197,744	215,922
St. Catharines - Niagara	114,252	114,072	117,778	121,981	126,155	129,390	133,715	144,720	154,559	170,425
Kitchener	135,452	134,839	141,387	143,104	146,495	157,317	164,548	177,559	188,905	205,639
London	128,643	129,338	131,382	131,299	131,254	135,857	137,717	142,745	153,637	167,344
Windsor	118,366	122,250	125,714	132,328	135,839	137,453	140,206	149,656	151,524	159,597
Greater Sudbury	113,554	108,222	108,521	109,622	105,093	109,262	107,774	110,826	117,359	122,866
Thunder Bay	110,747	112,723	111,608	110,099	112,315	109,811	110,532	109,930	111,927	112,404
Winnipeg	82,994	86,142	86,040	86,838	86,614	88,553	94,214	98,054	108,812	121,925
Regina	76,629	76,781	82,643	85,425	90,181	94,518	96,943	100,751	104,419	111,869
Saskatoon	82,030	88,132	98,270	104,776	109,822	112,567	116,472	118,999	125,191	132,549
Calgary	132,114	134,643	143,305	157,353	166,110	176,305	182,090	198,350	211,155	222,860
Edmonton	110,329	109,042	111,587	114,527	118,871	124,203	133,441	150,165	165,541	179,610
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	307,747	288,268	287,094	278,659	281,163	295,978	285,910	301,473	329,447	373,877
Victoria	210,669	211,602	218,398	217,886	221,126	225,731	225,727	242,503	280,625	325,412

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The geographic definitions used by CREA differ from those used by Statistics Canada.

Source: CREA (MLS®)

TABLE 7

Residential Mortgage Credit by Lending Institutions, Canada, 1995–2004 (billions of dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Chartered Banks	177.1	191.4	213.5	232.2	246.0	262.3	279.3	306.7	329.7	352.5
Trust & Mortgage Loans Co.	41.9	39.8	31.5	22.4	19.9	6.1	5.2	5.5	6.0	6.8
Life Insurance Co. Policy Loans	21.1	21.7	21.4	20.0	18.1	17.8	17.3	16.8	15.8	15.3
Finance Companies, Non-Depository Credit Intermediaries and Other Institutions	28.1	28.6	29.8	29.2	27.5	25.7	24.4	23.7	24.2	25.2
Pension Funds	8.0	7.7	8.0	7.8	7.9	8.7	9.3	9.0	9.1	9.4
NHA Mortgage-backed Securities	17.4	15.7	13.9	17.9	23.5	30.8	34.6	39.3	49.9	68.5
Credit Unions & Caisse Populaires	46.2	48.2	50.8	52.2	53.3	55.5	58.3	63.4	69.1	76.1
Special Purpose Corporations (Securitization)	0.1	1.1	4.7	11.0	18.7	22.5	18.1	15.0	14.6	13.3
Total Outstanding Balances	339.9	354.2	373.6	392.7	409.9	429.4	446.5	479.4	518.4	567.1

Annual estimates have been calculated by averaging monthly residential mortgage credit data and therefore will differ from end-of-year estimates.

Source: CMHC (MBS), Statistics Canada (CANSIM)

TABLE 8

NHA and Conventional Residential Mortgage Loans Approved by Lending Institutions, New and Existing, by Type of Lender, Canada, 1995–2004 (millions of dollars)[1]

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Chartered Banks										
New	5,769.5	7,364.3	9,515.0	10,072.6	11,195.3	10,619.5	13,082.2	17,880.6	18,865.2	20,070.4
Existing	29,133.8	43,920.1	47,731.9	45,054.0	49,033.3	43,597.4	64,504.6	79,646.6	95,498.4	112,131.5
Total	34,903.3	51,284.4	57,246.9	55,126.6	60,228.6	54,216.9	77,586.8	97,527.2	114,363.6	132,201.9
Trust Companies										
New	881.8	1,022.7	835.4	746.2	846.8	909.9	816.4	643.1	442.0	669.0
Existing	6,020.6	6,997.8	6,466.6	5,135.4	3,815.0	3,183.6	3,274.9	3,196.6	3,641.4	4,964.6
Total	6,902.4	8,020.5	7,302.0	5,881.6	4,661.8	4,093.6	4,091.3	3,839.7	4,083.4	5,633.6
Life Insurance & Other Companies										
New	1,202.7	1,350.6	1,149.6	1,245.5	1,439.1	2,107.4	2,706.9	4,197.1	3,398.5	4,144.9
Existing	9,076.9	10,015.6	9,621.7	9,461.8	11,991.8	14,507.4	10,796.6	14,748.5	16,043.0	19,514.6
Total	10,279.6	11,366.1	10,771.4	10,707.3	13,430.8	16,614.7	13,503.5	18,945.6	19,441.5	23,659.5
Total										
New	7,854.0	9,737.5	11,500.1	12,064.3	13,481.2	13,636.8	16,605.5	22,720.8	22,705.7	24,884.3
Existing	44,231.3	60,933.5	63,820.2	59,651.2	64,840.0	61,288.4	78,576.1	97,591.7	115,182.8	136,610.7
Total	52,085.3	70,671.0	75,320.2	71,715.5	78,321.2	74,925.2	95,181.6	120,312.5	137,888.5	161,495.0

1 Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and *Conventional Lending Survey*)

TABLE 9

NHA and Conventional Residential Mortgage Loans Approved by Lending Institutions, New and Existing, by Type of Lender and Type of Dwelling, Canada, Provinces and Territories, 2004 (millions of dollars)[1]

	Chartered Banks			Trust Companies			Life Insurance and Other Companies			Total		
	New	Existing	Total	New	Existing	Total	New	Existing	Total	New	Existing	Total
Canada												
Single-detached	13,524.3	87,518.3	101,042.6	304.1	3,733.5	4,037.6	2,155.0	11,927.1	14,082.1	15,983.4	103,178.9	119,162.3
Multiple Dwellings	6,546.0	24,613.1	31,159.1	363.7	1,231.2	1,594.9	1,988.4	7,587.5	9,575.9	8,898.1	33,431.8	42,329.9
Total	20,070.3	112,131.4	132,201.7	667.8	4,964.7	5,632.5	4,143.4	19,514.6	23,658.0	24,881.5	136,610.7	161,492.2
Newfoundland and Labrador												
Single-detached	183.3	1,192.2	1,375.5	2.2	65.1	67.3	25.4	104.9	130.3	210.9	1,362.2	1,573.1
Multiple Dwellings	18.3	81.3	99.6	NA	3.4	3.4	3.9	11.0	14.9	22.2	95.7	117.9
Total	201.6	1,273.5	1,475.1	2.2	68.5	70.7	29.3	115.9	145.2	233.1	1,457.9	1,691.0
Prince Edward Island												
Single-detached	51.8	253.9	305.7	NA	28.8	28.8	2.9	31.8	34.7	54.7	314.5	369.2
Multiple Dwellings	10.9	31.9	42.8	0.4	0.7	1.1	0.7	3.4	4.1	12.0	36.0	48.0
Total	62.7	285.8	348.5	0.4	29.5	29.9	3.6	35.2	38.8	66.7	350.5	417.2
Nova Scotia												
Single-detached	324.5	2,491.2	2,815.7	12.3	95.3	107.6	33.2	264.9	298.1	370.0	2,851.4	3,221.4
Multiple Dwellings	115.1	419.0	534.1	19.4	30.1	49.5	90.6	150.3	240.9	225.1	599.4	824.5
Total	439.6	2,910.2	3,349.8	31.7	125.4	157.1	123.8	415.2	539.0	595.1	3,450.8	4,045.9
New Brunswick												
Single-detached	206.2	1,452.8	1,659.0	8.2	72.3	80.5	37.6	281.1	318.7	252.0	1,806.2	2,058.2
Multiple Dwellings	35.7	244.0	279.7	0.7	4.2	4.9	8.9	33.2	42.1	45.3	281.4	326.7
Total	241.9	1,696.8	1,938.7	8.9	76.5	85.4	46.5	314.3	360.8	297.3	2,087.6	2,384.9
Quebec												
Single-detached	1,596.1	9,033.1	10,629.2	13.0	551.5	564.5	500.3	2,392.0	2,892.3	2,109.4	11,976.6	14,086.0
Multiple Dwellings	750.8	4,895.1	5,645.9	9.1	233.1	242.2	394.7	2,683.7	3,078.4	1,154.6	7,811.9	8,966.5
Total	2,346.9	13,928.2	16,275.1	22.1	784.6	806.7	895.0	5,075.7	5,970.7	3,264.0	19,788.5	23,052.5
Ontario												
Single-detached	6,466.0	44,885.5	51,351.5	124.8	1,331.4	1,456.2	645.9	4,543.3	5,189.2	7,236.7	50,760.2	57,996.9
Multiple Dwellings	3,208.9	11,616.9	14,825.8	95.0	493.7	588.7	587.1	2,788.8	3,375.9	3,891.0	14,899.4	18,790.4
Total	9,674.9	56,502.4	66,177.3	219.8	1,825.1	2,044.9	1,233.0	7,332.1	8,565.1	11,127.7	65,659.6	76,787.3
Manitoba												
Single-detached	300.9	1,877.8	2,178.7	8.4	305.2	313.6	49.4	520.0	569.4	358.7	2,703.0	3,061.7
Multiple Dwellings	20.1	151.6	171.7	NA	11.8	11.8	6.2	48.4	54.6	26.3	211.8	238.1
Total	321.0	2,029.4	2,350.4	8.4	317.0	325.4	55.6	568.4	624.0	385.0	2,914.8	3,299.8
Saskatchewan												
Single-detached	183.6	1,388.4	1,572.0	7.2	169.5	176.7	39.8	317.1	356.9	230.6	1,875.0	2,105.6
Multiple Dwellings	42.4	125.8	168.2	1.9	15.2	17.1	10.8	23.7	34.5	55.1	164.7	219.8
Total	226.0	1,514.2	1,740.2	9.1	184.7	193.8	50.6	340.8	391.4	285.7	2,039.7	2,325.4
Alberta												
Single-detached	2,839.6	9,812.5	12,652.1	117.0	746.9	863.9	684.9	1,830.9	2,515.8	3,641.5	12,390.3	16,031.8
Multiple Dwellings	842.9	2,136.3	2,979.2	34.5	207.1	241.6	519.4	737.7	1,257.1	1,396.8	3,081.1	4,477.9
Total	3,682.5	11,948.8	15,631.3	151.5	954.0	1,105.5	1,204.3	2,568.6	3,772.9	5,038.3	15,471.4	20,509.7
British Columbia												
Single-detached	1,340.1	14,901.3	16,241.4	11.0	358.3	369.3	135.6	1,637.1	1,772.7	1,486.7	16,896.7	18,383.4
Multiple Dwellings	1,489.4	4,833.8	6,323.2	202.7	230.7	433.4	366.1	1,106.2	1,472.3	2,058.2	6,170.7	8,228.9
Total	2,829.5	19,735.1	22,564.6	213.7	589.0	802.7	501.7	2,743.3	3,245.0	3,544.9	23,067.4	26,612.3
Yukon, N.W.T. and Nunavut												
Single-detached	32.2	229.6	261.8	NA	9.2	9.2	NA	4.0	4.0	32.2	242.8	275.0
Multiple Dwellings	11.5	77.4	88.9	—	1.2	1.2	NA	1.1	1.1	11.5	79.7	91.2
Total	43.7	307.0	350.7	NA	10.4	10.4	NA	5.1	5.1	43.7	322.5	366.2

1 Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and *Conventional Lending Survey*)

TABLE 10

Ownership Rates, Canada, Provinces, Territories and Metropolitan Areas 1971–2001 (per cent)[1]

	1971	1976	1981	1986	1991	1996	2001
Canada	60.3	61.8	62.1	62.1	62.6	63.6	65.8
Provinces and Territories							
Newfoundland and Labrador	80.0	80.6	80.6	80.1	78.6	77.1	78.2
Prince Edward Island	74.3	76.6	75.7	74.0	73.6	72.1	73.1
Nova Scotia	71.2	72.4	71.5	71.6	70.6	70.4	70.8
New Brunswick	69.4	71.8	73.4	74.2	74.1	73.8	74.5
Quebec	47.4	50.4	53.3	54.7	55.5	56.5	57.9
Ontario	62.9	63.6	63.3	63.6	63.7	64.3	67.8
Manitoba	66.1	66.4	65.8	65.5	65.8	66.4	67.8
Saskatchewan	72.7	75.5	72.9	70.1	69.9	68.8	70.8
Alberta	63.9	64.8	63.1	61.7	63.9	67.8	70.4
British Columbia	63.3	65.3	64.4	62.2	63.8	65.2	66.3
Yukon	50.2	49.3	52.7	55.7	57.6	58.5	63.0
Northwest Territories[2]	24.7	25.0	22.6	27.6	31.5	38.6	53.1
Nunavut[2]	NA	NA	NA	NA	NA	NA	24.2
Metropolitan Areas							
St. John's	66.6	68.9	69.5	68.3	67.1	67.5	69.5
Halifax	53.2	55.7	55.6	58.3	58.0	59.9	61.7
Saint John	52.0	56.8	59.6	61.6	63.4	65.6	67.4
Saguenay	55.5	60.3	62.0	61.5	60.9	60.8	62.3
Québec	43.8	46.6	50.9	52.9	53.6	54.9	55.5
Sherbrooke	43.9	48.0	49.4	50.1	49.2	50.2	51.9
Trois-Rivières	50.3	53.0	55.6	55.4	54.5	55.5	57.3
Montréal	35.5	38.4	41.9	44.7	46.7	48.5	50.2
Gatineau	58.6	59.7	59.1	59.2	59.8	61.5	62.4
Ottawa	50.1	50.1	51.4	50.0	54.4	58.2	61.4
Kingston	55.1	57.7	59.3	59.7	59.4	61.2	63.9
Oshawa	69.0	70.0	68.8	70.2	70.1	71.4	75.6
Toronto	55.4	56.7	57.3	58.3	57.9	58.4	63.2
Hamilton	63.9	63.8	63.4	64.6	64.6	65.2	68.3
St. Catharines - Niagara	72.2	72.9	71.6	72.0	71.4	70.7	73.2
Kitchener	60.8	60.4	60.8	61.9	61.5	62.4	66.7
London	60.1	59.5	58.0	57.8	57.6	60.0	62.8
Windsor	70.4	69.9	68.0	67.2	68.4	68.6	71.8
Greater Sudbury	57.6	62.2	64.3	64.4	63.8	62.6	65.8
Thunder Bay	73.6	72.0	69.4	69.0	68.4	69.7	71.9
Winnipeg	59.6	59.2	59.1	60.8	62.0	63.9	65.5
Regina	60.9	66.2	65.4	65.7	66.2	66.0	68.2
Saskatoon	61.3	65.7	61.8	59.9	61.0	61.4	65.0
Calgary	56.5	59.2	58.4	57.9	60.6	65.5	70.6
Edmonton	57.1	58.1	57.9	57.1	59.2	64.4	66.3
Abbotsford	74.7	75.5	72.2	70.4	72.6	71.5	71.1
Vancouver	58.8	59.4	58.5	56.3	57.5	59.4	61.0
Victoria	61.5	61.2	59.8	59.2	61.1	62.1	63.1

1 Ownership rates are computed as owners divided by total of all tenure types. Census Metropolitan Area data for 1971–1986 are based on 1986 CMA boundaries. All other data for Census Metropolitan Areas have not been adjusted for boundary changes.

2 In 1996 and prior years, the Northwest Territories included Nunavut.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

TABLE 11

Rental Vacancy Rate, Canada, Provinces and Metropolitan Areas, 1995–2004 (per cent)[1]

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada	4.5	4.5	4.5	4.0	3.2	2.2	1.7	2.1	2.6	2.9
Provinces										
Newfoundland and Labrador	10.0	13.8	15.4	14.9	10.8	5.7	3.2	3.0	3.3	4.1
Prince Edward Island	7.6	4.9	4.9	7.0	5.4	3.3	2.7	2.8	3.7	4.2
Nova Scotia	7.6	8.6	8.3	5.9	4.2	4.2	3.3	3.0	2.6	3.0
New Brunswick	6.7	6.7	6.6	6.1	4.3	3.1	4.1	4.2	4.3	5.3
Quebec	6.3	6.0	6.3	5.3	3.8	2.2	1.3	1.2	1.3	1.7
Ontario	2.3	3.0	2.8	2.6	2.1	1.6	1.7	2.7	3.5	4.1
Manitoba	5.2	5.6	5.5	3.9	3.2	2.2	1.4	1.4	1.6	1.4
Saskatchewan	2.2	1.9	1.6	1.6	1.7	2.2	3.5	3.9	4.1	5.3
Alberta	7.2	4.8	2.7	1.4	2.4	1.3	1.1	2.3	3.7	4.6
British Columbia	2.3	2.8	3.4	5.0	5.0	3.6	2.6	3.1	3.1	2.4
Metropolitan Area										
St. John's	10.8	15.4	16.6	15.4	9.2	3.8	2.5	2.7	2.0	3.1
Halifax	7.7	8.7	7.7	5.5	3.6	3.6	2.8	2.7	2.3	2.9
Saint John	8.6	9.1	8.2	7.3	5.2	3.4	5.6	6.3	5.2	5.8
Saguenay	6.0	5.4	4.1	4.8	4.9	4.4	4.4	4.9	5.2	5.3
Québec	6.0	6.5	6.6	5.2	3.3	1.6	0.8	0.3	0.5	1.1
Sherbrooke	6.2	6.6	7.5	7.3	7.6	4.7	2.3	1.8	0.7	0.9
Trois-Rivières	7.2	8.0	8.6	8.5	7.9	6.8	4.7	3.0	1.5	1.2
Montréal	6.2	5.7	5.9	4.7	3.0	1.5	0.6	0.7	1.0	1.5
Gatineau	8.3	7.7	9.4	6.7	4.4	1.4	0.6	0.5	1.2	2.1
Ottawa	3.8	4.9	4.2	2.1	0.7	0.2	0.8	1.9	2.9	3.9
Kingston	3.2	4.2	5.3	5.4	3.4	1.8	1.5	0.9	1.9	2.4
Oshawa	2.7	3.7	2.4	2.0	1.7	1.7	1.3	2.3	2.9	3.4
Toronto	0.8	1.2	0.8	0.8	0.9	0.6	0.9	2.5	3.8	4.3
Hamilton	2.0	2.2	3.1	3.2	1.9	1.7	1.3	1.6	3.0	3.4
St. Catharines - Niagara	5.2	5.6	5.4	4.6	3.2	2.6	1.9	2.4	2.7	2.6
Kitchener	2.2	1.8	1.9	1.5	1.0	0.7	0.9	2.3	3.2	3.5
London	4.3	6.0	5.1	4.5	3.5	2.2	1.6	2.0	2.1	3.7
Windsor	1.8	2.8	4.5	4.3	2.7	1.9	2.9	3.9	4.3	8.8
Greater Sudbury	6.0	6.8	7.2	9.4	11.1	7.7	5.7	5.1	3.6	2.6
Thunder Bay	6.2	5.6	7.7	9.3	7.5	5.8	5.8	4.7	3.3	5.0
Winnipeg	5.4	6.0	5.9	4.0	3.0	2.0	1.4	1.2	1.3	1.1
Regina	2.1	1.9	1.5	1.7	1.4	1.4	2.1	1.9	2.1	2.7
Saskatoon	1.0	0.7	0.9	0.8	0.9	1.7	2.9	3.7	4.5	6.3
Calgary	3.6	1.5	0.5	0.6	2.8	1.3	1.2	2.9	4.4	4.3
Edmonton	10.2	7.6	4.6	1.9	2.2	1.4	0.9	1.7	3.4	5.3
Abbotsford	7.7	6.0	5.1	7.4	6.7	3.7	2.4	2.0	2.5	2.8
Vancouver	1.2	1.1	1.7	2.7	2.7	1.4	1.0	1.4	2.0	1.3
Victoria	3.3	4.1	3.5	3.8	3.6	1.8	0.5	1.5	1.1	0.6
Average of Metropolitan Areas[2]	4.3	4.3	4.1	3.4	2.6	1.6	1.1	1.7	2.2	2.7

1 In privately initiated apartment structures with at least three units
2 Prior to 2002, Kingston and Abbotsford are not included in the average of metropolitan areas

Source: CMHC (*Rental Market Survey*)

TABLE 12

Average Rent for Two-Bedroom Apartments, Canada, Provinces and Metropolitan Areas, 1995–2004 (dollars)[1]

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Canada[2]	589	593	597	616	628	647	672	693	703	719
Provinces										
Newfoundland and Labrador	525	526	524	490	489	510	530	538	563	571
Prince Edward Island	523	522	527	529	531	538	561	566	585	603
Nova Scotia	584	588	589	603	609	621	645	669	684	711
New Brunswick	484	490	499	503	510	515	530	543	556	576
Quebec	481	479	479	486	491	495	513	531	553	572
Ontario	714	725	726	761	785	829	863	883	886	898
Manitoba	554	559	561	566	574	581	596	612	633	650
Saskatchewan	465	477	494	507	522	529	546	554	564	572
Alberta	540	543	565	607	633	651	701	734	745	754
British Columbia	725	737	739	746	742	753	772	795	806	821
Metropolitan Area										
St. John's	565	570	567	513	517	552	575	589	607	618
Halifax	615	617	616	631	637	648	673	704	720	747
Saint John	437	441	449	452	457	460	483	492	504	520
Saguenay	417	423	425	428	428	438	439	440	457	459
Québec	513	511	513	513	511	518	538	550	567	596
Sherbrooke	422	426	426	433	434	437	446	456	471	495
Trois-Rivières	406	405	406	411	403	413	419	431	436	457
Montréal	494	491	491	499	506	509	529	552	575	594
Gatineau	536	537	530	529	534	544	573	599	639	663
Ottawa	738	739	729	754	783	877	914	930	932	940
Kingston	631	654	643	653	658	679	709	727	768	785
Oshawa	689	700	691	726	745	778	799	819	845	852
Toronto	805	819	821	881	916	979	1,027	1,047	1,040	1,052
Hamilton	614	625	636	662	698	719	740	765	778	789
St. Catharines - Niagara	596	606	613	617	634	653	680	695	704	722
Kitchener	616	623	630	641	660	697	722	750	754	765
London	636	640	636	637	639	657	683	705	736	758
Windsor	667	682	680	680	696	736	738	769	776	776
Greater Sudbury	621	624	619	623	612	619	620	647	651	655
Thunder Bay	659	672	666	647	647	654	657	657	672	679
Winnipeg	561	567	568	574	582	588	605	622	645	664
Regina	487	494	512	525	547	549	568	581	589	602
Saskatoon	460	479	500	516	529	541	558	567	576	580
Calgary	584	595	635	707	739	740	783	804	804	806
Edmonton	519	518	525	551	576	601	654	709	722	730
Abbotsford	651	645	628	633	630	632	645	650	672	684
Vancouver	826	845	852	870	864	890	919	954	965	984
Victoria	715	717	724	722	728	731	751	771	789	799

1 In privately initiated apartment structures with at least three units
2 Only includes provincial data

Source: CMHC (*Rental Market Survey*)

TABLE 13

Occupied Housing Stock by Structure Type and Tenure, Canada, 1991–2001 (dwelling units)

	1991				1996				2001			
	Owned	Rented	Band	Total	Owned	Rented	Band	Total	Owned	Rented	Band	Total
Total	6,273,030	3,718,520	26,715	10,018,270	6,877,780	3,905,145	37,125	10,820,050	7,610,390	3,907,170	45,415	11,562,975
Single-detached house	5,094,150	583,265	25,500	5,702,915	5,488,620	597,480	34,280	6,120,380	5,972,985	620,950	41,135	6,635,065
Semi-detached house	299,305	168,835	240	468,380	337,005	164,580	505	502,090	395,460	169,585	800	565,850
Row house	185,455	272,720	240	458,415	259,690	278,125	545	538,365	340,870	276,140	995	618,010
Apartment detached duplex	132,555	243,200	35	375,785	164,720	286,620	155	451,495	154,385	258,210	165	412,760
Apartment building that has five or more storeys	125,250	784,760	10	910,020	157,395	822,075	-	979,470	213,205	836,440	10	1,049,655
Apartment building that has fewer than five storeys	260,350	1,613,745	105	1,874,200	318,645	1,709,375	305	2,028,325	386,165	1,696,730	510	2,083,410
Other single-attached house	21,035	26,925	40	48,005	17,525	22,005	25	39,555	16,850	24,945	50	41,845
Movable dwelling	154,930	25,075	545	180,555	134,175	24,885	1,310	160,370	130,470	24,165	1,750	156,385

Source: Statistics Canada (Census of Canada)

TABLE 14

Dwelling Condition by Tenure and Period of Construction, Canada, 2001

Tenure and Period of Construction	Total Occupied Dwellings	Dwelling Condition					
		In Need of Regular Maintenance Only		In Need of Minor Repairs		In Need of Major Repairs	
		Number	Per Cent	Number	Per Cent	Number	Per Cent
Total	11,562,975	7,554,135	65.3	3,060,605	26.5	948,235	8.2
1945 or before	1,661,635	806,080	48.5	582,315	35.0	273,240	16.4
1946-1960	1,819,730	1,033,505	56.8	586,510	32.2	199,715	11.0
1961-1970	1,833,290	1,136,880	62.0	534,300	29.1	162,110	8.8
1971-1980	2,460,455	1,573,350	63.9	707,510	28.8	179,595	7.3
1981-1985	1,001,665	680,515	67.9	268,115	26.8	53,035	5.3
1986-1990	1,079,075	817,490	75.8	221,485	20.5	40,100	3.7
1991-1995	887,255	747,375	84.2	112,740	12.7	27,140	3.1
1996-2001	819,865	758,940	92.6	47,630	5.8	13,295	1.6
Owned	7,610,385	4,961,405	65.2	2,082,950	27.4	566,035	7.4
1945 or before	1,083,600	512,130	47.3	397,515	36.7	173,950	16.1
1946-1960	1,149,140	650,885	56.6	385,095	33.5	113,155	9.8
1961-1970	992,295	604,260	60.9	309,220	31.2	78,815	7.9
1971-1980	1,587,135	973,690	61.3	500,165	31.5	113,275	7.1
1981-1985	655,055	424,055	64.7	198,050	30.2	32,950	5.0
1986-1990	798,775	597,825	74.8	174,410	21.8	26,535	3.3
1991-1995	662,930	562,215	84.8	82,720	12.5	18,000	2.7
1996-2001	681,460	636,345	93.4	35,765	5.2	9,355	1.4
Rented	3,907,170	2,580,170	66.0	962,630	24.6	364,370	9.3
1945 or before	577,815	293,930	50.9	184,740	32.0	99,140	17.2
1946-1960	669,685	382,500	57.1	201,170	30.0	86,015	12.8
1961-1970	838,125	532,245	63.5	224,410	26.8	81,465	9.7
1971-1980	865,675	598,605	69.1	205,270	23.7	61,800	7.1
1981-1985	338,655	255,030	75.3	67,465	19.9	16,165	4.8
1986-1990	272,145	217,980	80.1	43,800	16.1	10,365	3.8
1991-1995	215,200	182,325	84.7	26,340	12.2	6,535	3.0
1996-2001	129,870	117,555	90.5	9,425	7.3	2,890	2.2
Band	45,420	12,560	27.7	15,025	33.1	17,825	39.2
1945 or before	225	25	11.1	55	24.4	150	66.7
1946-1960	905	120	13.3	240	26.5	545	60.2
1961-1970	2,875	375	13.0	670	23.3	1,825	63.5
1971-1980	7,650	1,055	13.8	2,075	27.1	4,520	59.1
1981-1985	7,955	1,430	18.0	2,595	32.6	3,925	49.3
1986-1990	8,150	1,685	20.7	3,265	40.1	3,200	39.3
1991-1995	9,125	2,840	31.1	3,675	40.3	2,610	28.6
1996-2001	8,530	5,040	59.1	2,445	28.7	1,050	12.3

Source: CMHC, adapted from Statistics Canada (Census of Canada)

TABLE 15

Household Growth Summary, Canada, Provinces and Metropolitan Areas, 1996–2001

	1996	2001	Growth (per cent)	Avg. Annual Growth
Canada	10,820,050	11,562,975	6.9	148,585
Provinces				
Newfoundland and Labrador	185,495	189,045	1.9	710
Prince Edward Island	47,960	50,795	5.9	567
Nova Scotia	342,595	360,025	5.1	3,486
New Brunswick	271,155	283,820	4.7	2,533
Quebec	2,822,030	2,978,110	5.5	31,216
Ontario	3,924,510	4,219,410	7.5	58,980
Manitoba	419,385	432,550	3.1	2,633
Saskatchewan	372,820	379,675	1.8	1,371
Alberta	979,175	1,104,100	12.8	24,985
British Columbia	1,424,635	1,534,335	7.7	21,940
Metropolitan Areas				
St. John's	60,295	64,830	7.5	907
Halifax	131,520	144,435	9.8	2,583
Saint John	47,050	48,260	2.6	242
Saguenay	59,940	62,195	3.8	451
Québec	275,935	295,105	6.9	3,834
Sherbrooke	61,595	66,280	7.6	937
Trois-Rivières	57,665	59,580	3.3	383
Montréal	1,341,275	1,417,360	5.7	15,217
Ottawa-Gatineau	381,225	415,940	9.1	6,943
Kingston	55,390	58,330	5.3	588
Oshawa	93,710	104,200	11.2	2,098
Toronto	1,488,370	1,634,755	9.8	29,277
Hamilton	235,605	253,085	7.4	3,496
St. Catharines - Niagara	144,505	150,875	4.4	1,274
Kitchener	140,460	153,280	9.1	2,564
London	162,390	173,120	6.6	2,146
Windsor	108,475	117,710	8.5	1,847
Greater Sudbury	63,780	63,145	-1.0	-127
Thunder Bay	49,225	49,545	0.7	64
Winnipeg	261,915	269,985	3.1	1,614
Regina	74,695	76,655	2.6	392
Saskatoon	84,535	88,945	5.2	882
Calgary	305,305	356,375	16.7	10,214
Edmonton	320,065	356,515	11.4	7,290
Abbotsford	46,640	51,020	9.4	876
Vancouver	692,960	758,710	9.5	13,150
Victoria	129,350	135,600	4.8	1,250

Data for 1996 are based on 2001 Census Metropolitan Area boundaries. Between 1996 and 2001, CMA boundaries changed in Halifax, Sherbrooke, Ottawa-Gatineau, Kingston, London, Windsor, Sudbury and Thunder Bay.

Source: CMHC, adapted from Statistics Canada (Census of Canada) and Statistics Canada, *Profile of Canadian families and households: Diversification continues*, Catalogue no. 96F0030XIE2001003

TABLE 16

Households by Type and Tenure, Canada, 1971–2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
All household types	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Family households	4,928,130	5,633,945	6,231,485	6,634,995	7,235,230	7,685,470	8,155,560
One-family households	4,807,010	5,542,295	6,140,330	6,537,880	7,118,660	7,540,625	7,951,960
Couples with children	3,028,315	3,266,655	3,523,205	3,604,045	3,729,800	3,853,800	3,857,620
Couples without children	1,354,970	1,759,510	1,948,700	2,130,935	2,485,115	2,608,435	2,910,180
Lone parents	423,725	516,125	668,425	802,905	903,745	1,078,385	1,184,165
Multiple-family households	121,120	91,655	91,160	97,115	116,575	144,845	203,600
Non-family households	1,106,375	1,532,150	2,050,045	2,356,675	2,783,035	3,134,580	3,407,415
One person only	810,395	1,205,340	1,681,130	1,934,710	2,297,060	2,622,180	2,976,880
Two or more persons	295,980	326,810	368,915	421,965	485,975	512,400	430,535
Owners							
All household types	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,385
Family households	3,220,840	3,918,915	4,465,250	4,755,765	5,240,405	5,626,670	6,145,835
One-family households	3,124,275	3,842,355	4,390,265	4,677,435	5,145,490	5,511,500	5,985,695
Couples with children	2,095,895	2,488,795	2,807,650	2,868,915	2,975,720	3,083,980	3,148,020
Couples without children	820,960	1,106,650	1,267,930	1,445,650	1,765,205	1,954,540	2,239,700
Lone parents	207,420	246,910	314,685	362,870	404,565	472,980	597,970
Multiple-family households	96,560	76,560	74,985	78,330	94,910	115,170	160,140
Non-family households	416,085	512,320	676,690	825,110	1,032,630	1,251,110	1,464,555
One person only	299,805	391,475	539,200	668,270	848,310	1,050,520	1,307,170
Two or more persons	116,285	120,850	137,490	156,845	184,325	200,595	157,380
Renters							
All household types	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Family households	1,707,290	1,715,035	1,766,240	1,845,340	1,972,740	2,028,420	1,972,310
One-family households	1,682,735	1,699,940	1,750,065	1,828,435	1,952,400	2,000,890	1,933,895
Couples with children	932,420	777,860	715,555	715,655	740,235	752,150	690,815
Couples without children	534,015	652,860	680,770	679,600	717,520	650,285	666,775
Lone parents	216,310	269,220	353,745	433,180	494,645	598,450	576,290
Multiple-family households	24,555	15,095	16,170	16,900	20,340	27,530	38,415
Non-family households	690,290	1,019,825	1,373,355	1,523,145	1,745,785	1,876,725	1,934,860
One person only	510,595	813,865	1,141,935	1,260,065	1,445,450	1,566,635	1,662,845
Two or more persons	179,695	205,960	231,425	263,085	300,330	310,095	272,015

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters. Because of changes to the definition of census family, household-type data for 2001— except for one-person households — is not strictly comparable to data from earlier censuses.

Source: Statistics Canada (Census of Canada)

TABLE 17

Households by Age of Maintainer and Tenure, Canada, 1971–2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
15-24	413,570	584,270	674,825	535,945	466,225	437,460	447,165
25-34	1,262,315	1,678,965	2,036,370	2,124,040	2,219,995	2,045,210	1,792,025
35-44	1,250,530	1,339,425	1,589,410	1,971,475	2,363,020	2,630,170	2,747,615
45-54	1,172,285	1,305,650	1,370,800	1,412,515	1,666,415	2,102,365	2,509,625
55-64	955,825	1,079,005	1,215,890	1,327,005	1,379,945	1,434,725	1,659,775
65-74	627,395	763,350	905,740	1,021,305	1,168,255	1,280,605	1,324,885
75+	352,590	415,430	488,490	599,385	754,405	889,510	1,081,880
Total	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Owners							
15-24	57,750	111,125	127,180	88,815	64,625	61,670	70,990
25-34	541,240	866,895	1,064,390	1,029,220	1,043,470	936,020	837,010
35-44	838,995	949,750	1,142,890	1,374,245	1,606,665	1,741,120	1,844,450
45-54	851,190	970,265	1,037,395	1,062,030	1,246,970	1,555,580	1,868,280
55-64	682,985	775,350	894,035	989,245	1,041,660	1,093,570	1,276,610
65-74	432,440	504,665	595,650	695,155	824,185	936,610	997,030
75+	232,330	253,190	280,405	342,175	445,450	553,210	716,015
Total	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,390
Renters							
15-24	355,820	473,150	547,645	443,735	399,360	372,805	373,060
25-34	721,070	812,075	971,985	1,083,920	1,168,780	1,098,795	943,670
35-44	411,535	389,670	446,520	588,310	750,085	879,555	890,540
45-54	321,095	335,390	333,405	343,705	415,175	540,525	633,160
55-64	272,845	303,655	321,860	332,095	335,185	337,020	378,015
65-74	194,955	258,685	310,095	321,750	342,100	341,440	324,590
75+	120,260	162,240	208,080	254,975	307,840	335,010	364,135
Total	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Avg. Household Size	3.5	3.1	2.9	2.8	2.7	2.6	2.6

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters.

Source: Statistics Canada (Census of Canada).

TABLE 18

Median and Mean Household Net Worth by Tenure, Canada, 1999 (dollars)[1]

Age group[2]	All Households		Owned		Did not own		Owned with mortgage		Owned without mortgage	
	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean
Under 25 years	6,000	58,000	137,000	293,000	3,000	9,000	52,000	170,000	243,000	499,000
25-34 years	41,000	98,000	94,000	162,000	10,000	40,000	85,000	134,000	259,000	343,000
35-44 years	107,000	202,000	162,000	276,000	16,000	59,000	140,000	222,000	296,000	458,000
45-54 years	198,000	344,000	285,000	438,000	24,000	82,000	223,000	326,000	387,000	601,000
55-64 years	283,000	462,000	421,000	582,000	24,000	84,000	278,000	405,000	478,000	678,000
65 years and over	216,000	337,000	306,000	439,000	40,000	117,000	242,000	364,000	310,000	447,000
All ages	124,000	263,000	226,000	377,000	14,000	64,000	149,000	251,000	352,000	525,000

Real Change in Household Net Worth by Tenure, Canada, 1984–99 (per cent)[3]

Under 25 years	-89.4	12.9	65.0	101.7	-99.9	-67.8	NA	NA	NA	NA
25-34 years	-26.2	0.6	-14.7	-5.9	-65.7	62.4	-4.5	-6.2	42.3	34.3
35-44 years	-15.7	11.0	0.9	15.6	-43.9	32.1	-2.8	12.5	46.9	42.5
45-54 years	-7.9	20.7	11.9	24.6	-22.3	6.9	-8.5	5.4	37.0	51.7
55-64 years	17.9	44.0	34.0	47.5	-67.8	-23.0	-1.6	3.8	59.8	69.2
65 years and over	51.5	45.8	44.5	39.9	2.4	12.8	6.3	2.4	48.8	44.1
All ages	10.7	36.0	20.7	32.4	-41.4	27.6	3.3	12.8	45.7	52.0

1 Includes the value of employer pension plan benefits. Net worth is the difference between a household's assets and its liabilities.
2 Age of the highest income earner in the household. Where owners and renters are both present, refers to the owner with the highest income.
3 Excludes the value of employer pension plan benefits.

Source: CMHC, adapted from Statistics Canada (Survey of Financial Security - 1999 data; Assets and Debts Survey - 1984 data)

TABLE 19

Household Housing Conditions by Tenure, Canada, Provinces and Territories, 1991, 1996 and 2001

		All Households			Households Living In or Able to Access Acceptable Housing			Households Unable to Access Acceptable Housing - In Core Housing Need		
	Year	All Households	Owning Households	Renting Households	All Households	Owning Households	Renting Households	All Households	Owning Households	Renting Households
Canada										
	2001	10,905,615	7,229,660	3,575,950	9,320,830	6,755,825	2,565,000	1,484,785	473,840	1,010,950
	1996	10,027,840	6,494,030	3,533,810	8,460,650	6,047,815	2,412,840	1,567,180	446,205	1,120,970
	1991	9,371,730	5,925,460	3,446,270	8,101,750	5,571,025	2,530,730	1,269,980	354,435	915,545
Newfoundland and Labrador										
	2001	181,665	143,875	37,790	155,060	130,415	24,645	26,605	13,455	13,150
	1996	177,815	139,485	38,325	151,515	126,505	25,000	26,305	12,980	13,325
	1991	169,755	134,765	34,990	145,125	120,840	24,285	24,630	13,920	10,705
Prince Edward Island										
	2001	48,065	35,365	12,705	41,870	32,985	8,880	6,195	2,375	3,825
	1996	45,130	32,680	12,450	39,075	30,335	8,735	6,060	2,355	3,705
	1991	41,700	30,675	11,025	36,115	28,315	7,795	5,585	2,355	3,225
Nova Scotia										
	2001	339,670	245,765	93,910	288,080	225,965	62,120	51,590	19,800	31,790
	1996	323,050	233,080	89,965	274,955	215,170	59,775	48,100	17,915	30,190
	1991	309,645	221,900	87,745	267,575	204,860	62,715	42,065	17,035	25,035
New Brunswick										
	2001	268,825	203,240	65,585	238,840	190,660	48,175	29,985	12,580	17,405
	1996	255,700	191,930	63,765	220,965	178,145	42,820	34,735	13,780	20,950
	1991	243,270	181,930	61,340	203,865	162,750	41,105	39,405	19,175	20,230
Québec										
	2001	2,812,775	1,658,065	1,154,710	2,460,975	1,583,415	877,560	351,795	74,645	277,150
	1996	2,621,630	1,519,340	1,102,285	2,194,975	1,429,510	765,460	426,650	89,825	336,825
	1991	2,479,915	1,399,070	1,080,845	2,119,925	1,326,620	793,305	359,990	72,445	287,540
Ontario										
	2001	3,981,545	2,748,875	1,232,670	3,381,885	2,547,540	834,340	599,655	201,330	398,330
	1996	3,680,315	2,410,620	1,269,700	3,086,065	2,237,735	848,325	594,255	172,885	421,370
	1991	3,433,900	2,212,110	1,221,790	3,025,860	2,096,605	929,265	408,035	115,505	292,530
Manitoba										
	2001	389,815	271,165	118,655	344,425	255,580	88,845	45,390	15,585	29,800
	1996	374,630	255,365	119,255	319,605	239,075	80,535	55,015	16,285	38,730
	1991	364,070	242,195	121,880	313,555	227,635	85,910	50,520	14,555	35,965
Saskatchewan										
	2001	323,065	230,830	92,230	285,905	216,595	69,310	37,160	14,240	22,925
	1996	314,430	216,965	97,470	274,755	203,955	70,795	39,685	13,015	26,665
	1991	304,365	209,320	95,050	258,960	191,095	67,865	45,405	18,225	27,180
Alberta										
	2001	1,014,180	719,300	294,880	907,895	680,995	226,900	106,280	38,305	67,980
	1996	891,170	607,290	283,880	790,390	575,580	214,820	100,775	31,710	69,065
	1991	828,725	526,975	301,755	722,950	496,150	226,790	105,780	30,815	74,965
British Columbia										
	2001	1,416,725	958,050	458,675	1,193,055	878,560	314,500	223,670	79,490	144,180
	1996	1,315,400	873,655	441,745	1,086,425	800,235	286,195	228,970	73,420	155,555
	1991	1,171,375	756,035	415,340	988,870	707,380	281,485	182,505	48,650	133,855
Northwest Territories										
	2001	11,985	6,485	5,500	9,905	5,670	4,235	2,085	815	1,270
	1996	NA	NA	NA	NA	NA	NA	NA	NA	NA
	1991	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nunavut										
	2001	7,075	1,705	5,360	4,335	1,195	3,140	2,740	515	2,220
	1996	NA	NA	NA	NA	NA	NA	NA	NA	NA
	1991	NA	NA	NA	NA	NA	NA	NA	NA	NA
NWT + Nunavut Combined										
	2001	19,060	8,190	10,860	14,240	6,865	7,375	4,825	1,330	3,490
	1996	18,345	7,140	11,200	13,670	6,065	7,620	4,665	1,085	3,580
	1991	15,705	4,975	10,730	11,160	3,945	7,220	4,540	1,030	3,510
Yukon Territory										
	2001	10,215	6,950	3,265	8,600	6,250	2,350	1,615	695	920
	1996	10,235	6,475	3,760	8,260	5,520	2,750	1,970	955	1,015
	1991	9,295	5,510	3,785	7,785	4,800	2,985	1,510	710	805

The Canadian Housing Observer 2005 presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent.

Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter-cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access acceptable housing is considered to be in core housing need.

Source: CMHC (census-based housing indicators and data)

TABLE 20

Household Income and Shelter Costs by Housing Conditions and Tenure
Canada, Provinces and Territories, 2001

	All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
Tenure	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)
Canada												
Total	10,805,615	60,976	764	21	9,320,830	67,913	784	17	1,484,785	17,427	643	48
Own	7,229,660	71,946	821	18	6,755,825	75,636	827	16	473,840	19,343	732	48
Rent	3,575,950	38,797	649	28	2,565,000	47,574	668	20	1,010,950	16,529	601	48
Nfld. and Labrador												
Total	181,665	47,790	515	19	155,060	53,648	528	14	26,605	13,652	441	43
Own	143,875	52,191	516	16	130,415	56,097	528	13	13,455	14,343	396	38
Rent	37,790	31,037	510	30	24,645	40,689	523	19	13,150	12,945	487	49
Prince Edward Island												
Total	48,070	49,082	572	19	41,870	54,208	582	16	6,195	14,450	506	45
Own	35,365	55,463	584	16	32,985	58,343	589	14	2,375	15,471	518	43
Rent	12,705	31,320	538	28	8,880	38,654	555	20	3,825	13,816	497	47
Nova Scotia												
Total	339,670	50,585	610	20	288,080	56,957	624	16	51,590	15,000	534	47
Own	245,765	57,353	617	17	225,965	61,022	627	14	19,800	15,467	516	43
Rent	93,910	32,873	590	31	62,120	42,169	614	21	31,790	14,708	545	49
New Brunswick												
Total	268,825	49,156	547	19	238,840	53,749	558	15	29,985	12,570	460	47
Own	203,240	54,958	561	16	190,660	57,745	567	14	12,580	12,709	454	45
Rent	65,585	31,177	504	28	48,175	37,937	519	20	17,405	12,469	465	48
Quebec												
Total	2,812,775	52,175	620	21	2,460,975	57,837	640	17	351,795	12,571	489	50
Own	1,658,065	64,434	688	17	1,583,415	66,855	695	15	74,645	13,066	530	51
Rent	1,154,710	34,574	523	27	877,560	41,565	538	19	277,150	12,437	478	50
Ontario												
Total	3,981,545	69,696	893	22	3,381,885	78,381	918	17	599,655	20,721	756	47
Own	2,748,875	81,584	952	19	2,547,540	86,238	959	16	201,330	22,696	877	49
Rent	1,232,670	43,188	759	29	834,340	54,390	790	21	398,330	19,724	695	47
Manitoba												
Total	389,815	53,186	622	20	344,425	58,224	639	16	45,390	14,958	493	44
Own	271,165	62,650	667	16	255,580	65,413	675	15	15,585	17,351	543	42
Rent	118,655	31,555	518	27	88,845	37,543	535	21	29,800	13,707	466	46
Saskatchewan												
Total	323,065	51,304	595	20	285,905	56,130	609	16	37,160	14,171	487	46
Own	230,830	59,327	625	16	216,595	62,205	634	15	14,240	15,531	479	41
Rent	92,230	31,225	520	28	69,310	37,145	530	21	22,925	13,326	492	49
Alberta												
Total	1,014,180	66,868	812	20	907,895	72,671	830	17	106,280	17,304	656	48
Own	719,300	77,054	864	18	680,995	80,348	872	16	38,305	18,496	733	49
Rent	294,880	42,022	680	27	226,900	49,629	702	20	67,980	16,632	612	48
British Columbia												
Total	1,416,725	60,783	845	23	1,193,055	68,667	870	18	223,670	18,727	711	49
Own	958,050	69,915	888	19	878,560	74,349	896	17	79,490	20,890	799	48
Rent	458,675	41,710	754	30	314,500	52,793	797	21	144,180	17,534	662	50
Northwest Territories												
Total	11,985	74,017	931	18	9,905	84,026	989	15	2,085	26,496	657	34
Own	6,485	87,919	1065	17	5,670	96,540	1,124	15	815	28,053	670	32
Rent	5,500	57,643	763	20	4,235	67,280	799	15	1,270	25,497	651	35
Nunavut												
Total	7,075	57,474	627	14	4,335	70,292	697	12	2,740	37,180	508	18
Own	1,705	82,703	1,041	18	1,195	97,640	1,071	14	515	48,520	963	28
Rent	5,360	49,372	488	13	3,140	59,918	546	11	2,220	34,542	398	16
Yukon Territory												
Total	10,215	64,583	800	20	8,600	72,775	831	16	1,615	20,931	635	42
Own	6,950	73,889	852	17	6,250	79,496	878	15	695	23,557	617	35
Rent	3,265	44,784	984	26	2,350	54,893	700	18	920	18,944	652	47

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1 Shelter cost-to-income ratios in per cent. Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter-cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent. Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that is has sufficient bedrooms for the size and make up of the occupying household. The subset of households classified as unable to access acceptable housing is considered to be in Core Housing Need.

Source: CMHC (census-based housing indicators and data)

TABLE 21

Household Income and Shelter Costs by Housing Conditions and Tenure
Census Metropolitan Areas, 2001

		All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
	Tenure	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)
All CMAs													
	Total	7,048,920	65,846	844	22	6,015,530	73,969	870	18	1,033,365	18,556	692	48
	Own	4,432,190	80,740	936	19	4,145,260	84,833	942	17	286,910	21,608	852	50
	Rent	2,616,750	40,618	686	28	1,870,250	49,892	709	20	746,475	17,383	630	48
St. John's													
	Total	62,120	57,006	697	21	53,745	63,757	725	17	8,375	13,687	524	49
	Own	44,030	67,543	757	18	41,655	70,547	768	16	2,375	14,797	568	47
	Rent	18,095	31,368	550	30	12,090	40,366	571	21	6,005	13,249	507	49
Halifax													
	Total	137,480	58,899	754	22	115,090	67,036	782	17	22,385	17,064	614	47
	Own	87,195	71,763	809	17	81,185	75,663	820	15	6,010	19,081	670	45
	Rent	50,285	36,593	657	30	33,910	46,381	689	21	16,375	16,324	593	48
Saint John													
	Total	46,340	53,279	598	20	41,155	58,432	614	16	5,185	12,392	471	49
	Own	31,650	63,830	649	16	30,190	66,312	655	15	1,460	12,507	511	51
	Rent	14,690	30,542	487	27	10,960	36,730	498	20	3,730	12,346	456	48
Saguenay													
	Total	58,885	50,156	566	20	52,275	55,084	581	16	6,615	11,205	446	50
	Own	37,560	60,840	625	16	36,170	62,707	629	15	1,385	12,180	526	54
	Rent	21,330	31,344	458	26	16,105	37,965	469	19	5,230	10,947	425	50
Québec City													
	Total	282,200	52,109	617	21	247,610	57,654	635	17	34,585	12,409	489	50
	Own	159,405	66,424	690	16	153,160	68,584	696	15	6,245	13,434	560	52
	Rent	122,795	33,525	521	27	94,455	39,930	534	20	28,340	12,183	473	50
Sherbrooke													
	Total	62,765	46,755	576	22	55,195	51,624	594	18	7,560	11,213	452	51
	Own	33,310	61,680	662	17	32,275	63,257	666	15	1,025	12,097	532	54
	Rent	29,455	29,878	479	27	22,920	35,239	491	21	6,535	11,075	439	50
Trois-Rivières													
	Total	56,360	46,372	532	21	49,105	51,644	549	16	7,260	10,721	418	50
	Own	32,930	59,374	598	16	31,595	61,403	603	14	1,330	11,279	472	53
	Rent	23,430	28,102	439	27	17,505	34,029	450	20	5,925	10,596	406	49
Montréal													
	Total	1,344,730	56,331	701	22	1,155,750	63,343	729	18	188,980	13,444	526	51
	Own	692,555	74,561	829	18	663,290	77,194	838	17	29,270	14,898	632	53
	Rent	652,175	36,971	563	27	492,455	44,688	582	19	159,710	13,178	507	50
Ottawa-Gatineau													
	Total	399,325	73,411	866	21	344,785	81,815	891	16	54,540	20,279	708	47
	Own	250,980	90,357	950	17	237,440	94,178	956	15	13,535	23,340	845	47
	Rent	148,350	44,740	723	27	107,345	54,469	746	20	41,000	19,269	662	47
Gatineau													
	Total	99,425	60,052	715	20	88,515	65,782	738	17	10,905	13,551	535	51
	Own	62,870	73,450	801	17	60,405	75,847	809	15	2,460	14,617	596	50
	Rent	36,550	37,009	566	27	28,105	44,152	581	19	8,445	13,241	516	51
Ottawa													
	Total	299,900	77,839	916	21	256,275	87,352	944	16	43,630	21,962	751	46
	Own	188,110	96,008	1,000	17	177,030	100,433	1,006	15	11,075	25,278	901	46
	Rent	111,795	47,268	773	27	79,240	58,128	804	20	32,555	20,833	700	46
Kingston													
	Total	55,205	59,890	767	22	46,910	67,465	790	18	8,290	17,024	644	49
	Own	36,065	72,612	819	18	33,890	76,025	823	16	2,175	19,481	751	49
	Rent	19,140	35,917	670	31	13,020	45,194	700	23	6,110	16,149	606	49
Oshawa													
	Total	100,515	71,748	990	22	88,480	78,836	1,020	18	12,030	19,621	768	50
	Own	76,895	81,108	1,062	19	72,530	84,674	1,072	18	4,365	21,846	900	51
	Rent	23,620	41,278	749	30	15,955	52,293	777	21	7,665	18,355	691	49
Toronto													
	Total	1,548,530	80,261	1,062	24	1,253,060	93,440	1,106	18	295,470	24,370	871	46
	Own	1,002,420	97,091	1,159	20	902,420	104,851	1,172	17	99,995	27,058	1,048	49
	Rent	546,120	49,369	878	29	350,635	64,073	933	21	195,480	22,995	780	45

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TABLE 21 (CONTINUED)

Household Income and Shelter Costs by Housing Conditions and Tenure
Census Metropolitan Areas, 2001

		All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
	Tenure	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)	Number of Households	Average Annual Income ($)	Average Monthly Shelter Cost ($)	Average STIR[1] (%)
Hamilton													
	Total	241,035	66,756	865	22	208,050	74,557	898	18	32,985	17,557	654	48
	Own	168,400	79,195	942	19	157,970	83,151	956	17	10,435	19,300	740	48
	Rent	72,635	37,918	681	30	50,080	47,451	711	21	22,550	16,751	614	48
St. Catharines-Niagara													
	Total	143,600	57,157	733	22	125,085	63,254	751	17	18,510	15,954	615	49
	Own	106,515	65,067	770	19	99,400	68,545	779	16	7,120	16,500	646	49
	Rent	37,080	34,433	627	30	25,685	42,779	641	22	11,390	15,614	596	49
Kitchener													
	Total	147,560	67,825	860	21	130,405	74,443	885	18	17,150	17,520	676	49
	Own	99,910	80,413	936	18	95,145	83,502	945	17	4,765	18,755	759	50
	Rent	47,650	41,430	699	28	35,260	49,999	719	20	12,390	17,045	644	49
London													
	Total	163,620	61,216	794	22	141,980	68,122	821	18	21,640	15,904	617	50
	Own	105,275	75,187	875	18	100,450	77,947	883	17	4,830	17,812	714	50
	Rent	58,335	36,002	647	30	41,530	44,358	670	22	16,805	15,356	590	50
Windsor													
	Total	112,700	68,461	808	21	98,315	75,994	831	17	14,385	16,982	655	50
	Own	82,430	79,351	861	18	77,570	83,156	869	16	4,855	18,541	725	49
	Rent	30,280	38,812	663	30	20,740	49,209	684	21	9,530	16,189	619	50
Sudbury													
	Total	59,865	57,122	710	21	52,460	63,215	734	17	7,410	13,968	548	50
	Own	40,345	68,606	779	18	38,435	71,271	787	16	1,915	15,165	623	52
	Rent	19,515	33,377	568	29	14,025	41,140	586	21	5,490	13,550	522	49
Thunder Bay													
	Total	47,250	58,418	694	20	41,605	64,297	711	17	5,645	15,083	573	48
	Own	34,765	67,863	737	17	32,980	70,637	742	15	1,780	16,409	637	48
	Rent	12,490	32,133	576	30	8,625	40,049	590	21	3,870	14,472	544	48
Winnipeg													
	Total	259,375	56,038	671	20	231,300	61,114	691	17	28,080	14,224	503	47
	Own	172,525	68,201	738	17	165,325	70,460	744	15	7,195	16,313	593	47
	Rent	86,850	31,877	536	28	65,970	37,693	556	22	20,885	13,505	472	47
Regina													
	Total	73,110	58,648	694	20	65,685	63,698	712	17	7,420	13,971	534	51
	Own	50,850	70,228	749	16	49,120	72,171	755	15	1,730	14,992	587	50
	Rent	22,260	32,201	568	30	16,565	38,573	585	23	5,695	13,661	518	51
Saskatoon													
	Total	84,215	55,074	701	22	75,225	60,064	720	19	8,985	13,307	544	53
	Own	55,780	67,221	763	18	53,785	69,192	769	17	1,995	14,088	604	54
	Rent	28,430	31,241	578	31	21,435	37,162	595	24	6,995	13,085	526	52
Calgary													
	Total	341,505	76,692	929	21	303,195	83,882	950	18	38,305	19,781	762	49
	Own	244,285	89,110	992	19	229,840	93,370	999	17	14,450	21,346	881	52
	Rent	97,220	45,488	770	27	73,360	54,156	797	21	23,860	18,832	690	48
Edmonton													
	Total	338,490	64,116	781	21	301,760	69,981	803	17	36,730	15,926	601	48
	Own	227,765	76,364	853	18	217,300	79,195	860	16	10,460	17,543	711	51
	Rent	110,725	38,922	631	27	84,460	46,275	654	21	26,270	15,282	557	48
Abbotsford													
	Total	47,820	58,178	894	24	42,320	63,570	920	20	5,500	16,705	703	52
	Own	34,370	65,352	963	21	32,540	68,029	972	20	1,830	17,680	808	54
	Rent	13,450	39,843	715	29	9,770	48,723	739	21	3,675	16,219	650	51
Vancouver													
	Total	707,155	66,747	956	24	584,875	76,555	996	19	122,285	19,836	765	49
	Own	442,190	79,596	1,039	21	402,365	85,276	1,052	18	39,825	22,204	902	50
	Rent	264,965	45,304	817	30	182,510	57,327	871	21	82,460	18,693	699	49
Victoria													
	Total	127,170	58,221	828	23	110,110	64,616	853	19	17,060	16,941	675	51
	Own	81,790	69,059	882	19	77,235	72,026	889	17	4,555	18,769	756	50
	Rent	45,380	38,686	733	31	32,880	47,208	765	23	12,505	16,275	646	51

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Source: CMHC (census-based housing indicators and data)

TABLE 22

Households Characteristics by Income Brackets and Tenure, Canada, 2001

	Households in Income Group					Incidence of...				STIR >=30%		STIR >=50%		In Core Housing Need	
	Number	Share	Average income	Average STIR	Owner-to-Renter ratio	Aboriginal households	Lone-parent households	Non elderly individuals	Elderly individuals	Households	Incidence	Households	Incidence	Households	Incidence
	(#)	(%)	($)	(%)		(%)	(%)	(%)	(%)	(#)	(%)	(#)	(%)	(#)	(%)
Total	10,805,615	100.0	60,976	21.3	67/33	2.8	10.1	18.9	9.8	2,179,435	20.2	702,615	6.5	1,484,785	13.7
Less than $10,000	308,060	2.9	7,252	57.5	24/76	5.8	14.2	68.1	1.7	252,925	82.1	184,255	59.8	247,855	80.5
$10,000 - $19,999	1,380,015	12.8	15,034	38.4	39/61	3.5	14.2	25.0	43.9	845,785	61.3	333,810	24.2	793,785	57.5
$20,000 - $29,999	1,319,810	12.2	24,865	27.1	52/48	3.1	14.1	25.7	15.0	446,390	33.8	103,255	7.8	289,795	22.0
$30,000 - $39,999	1,293,250	12.0	34,865	22.0	58/42	2.9	13.5	26.3	8.2	265,000	20.5	44,115	3.4	114,005	8.8
$40,000 - $49,999	1,186,090	11.0	44,702	19.1	66/34	2.8	11.9	22.0	4.8	159,950	13.5	17,665	1.5	33,225	2.8
$50,000 - $69,999	1,972,420	18.3	59,313	16.5	75/25	2.6	9.4	16.0	2.6	147,920	7.5	12,580	0.6	5,905	0.3
$70,000 - $99,999	1,812,845	16.8	82,987	13.8	84/16	2.4	6.0	8.5	1.2	49,290	2.7	5,550	0.3	215	0.0
$100,000 and over	1,533,115	14.2	154,940	10.1	91/9	1.6	3.3	5.4	0.9	12,170	0.8	1,380	0.1	0	0.0
Owners	7,229,660	100.0	71,946	17.9	n/a	2.0	7.8	10.8	8.0	971,110	13.4	269,485	3.7	473,840	6.6
Less than $10,000	74,085	1.0	6,925	51.9	n/a	3.6	10.3	51.6	2.4	57,440	77.5	36,505	49.3	60,735	82.0
$10,000 - $19,999	541,105	7.5	15,337	32.5	n/a	2.0	8.6	16.5	53.0	224,350	41.5	96,145	17.8	229,585	42.4
$20,000 - $29,999	690,040	9.5	24,966	24.8	n/a	2.0	10.5	15.4	17.0	191,250	27.7	66,930	9.7	110,245	16.0
$30,000 - $39,999	747,420	10.3	34,999	21.4	n/a	2.1	12.1	17.1	9.5	175,050	23.4	36,480	4.9	52,190	7.0
$40,000 - $49,999	777,175	10.7	44,834	19.1	n/a	2.2	11.1	15.1	5.2	131,570	16.9	15,700	2.0	17,740	2.3
$50,000 - $69,999	1,476,670	20.4	59,581	16.7	n/a	2.3	8.9	11.2	2.5	133,530	9.0	11,220	0.8	3,260	0.2
$70,000 - $99,999	1,528,780	21.1	83,242	14.0	n/a	2.2	5.6	5.6	1.1	46,365	3.0	5,160	0.3	90	0.0
$100,000 and over	1,394,395	19.3	156,244	10.2	n/a	1.5	3.1	3.6	0.7	11,555	0.8	1,350	0.1	0	0.0
Renters	3,575,955	100.0	38,797	28.2	n/a	4.2	14.6	35.4	13.3	1,208,325	33.8	433,130	12.1	1,010,950	28.3
Less than $10,000	233,975	6.5	7,355	59.4	n/a	6.5	15.4	73.4	1.5	195,485	83.5	147,755	63.1	187,125	80.0
$10,000 - $19,999	838,910	23.5	14,839	42.3	n/a	4.5	17.8	30.5	38.0	621,435	74.1	237,670	28.3	564,205	67.3
$20,000 - $29,999	629,775	17.6	24,754	29.6	n/a	4.2	18.0	37.0	12.7	255,145	40.5	36,325	5.8	179,545	28.5
$30,000 - $39,999	545,830	15.3	34,683	22.8	n/a	4.0	15.6	38.8	6.5	89,955	16.5	7,640	1.4	61,820	11.3
$40,000 - $49,999	408,915	11.4	44,451	19.0	n/a	3.8	13.2	35.2	4.1	28,380	6.9	1,960	0.5	15,490	3.8
$50,000 - $69,999	495,750	13.9	58,517	15.8	n/a	3.7	10.8	30.1	2.6	14,390	2.9	1,365	0.3	2,645	0.5
$70,000 - $99,999	284,070	7.9	81,615	12.8	n/a	3.6	8.3	24.1	1.8	2,925	1.0	390	0.1	125	0.0
$100,000 and over	138,730	3.9	141,833	9.9	n/a	2.8	5.7	23.1	2.0	610	0.4	30	0.0	0	0.0

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

Includes all non-farm, non-band, non-reserve private households with incomes greater than zero and STIRs less than 100%.
Elderly individuals refer to persons 65 years of age or older either living on their own or sharing with other unrelated individuals.

Source: CMHC (census-based housing indicators and data)

TABLE 23

Characteristics of Renter Households in Core Housing Need by Income Brackets, Canada, 2001

	Households in Income Group					Incidence of...			STIR >=30%		STIR >=50%	
	Number	Share	Average income	Average shelter cost	Average STIR	Aboriginal households	Lone-parent households	Individuals	Households	Incidence	Households	Incidence
	(#)	(%)	($)	($)	(%)	(%)	(%)	(%)	(#)	(%)	(#)	(%)
Renter - Total	1,010,950	100.0	16,529	601	48.0	5.5	23.4	53.4	918,895	90.9	386,785	38.3
Less than $20,000	751,330	74.3	12,600	525	52.0	5.4	20.8	64.3	725,920	96.6	355,705	47.3
$20,000 - $29,999	179,545	17.8	23,970	775	39.0	6.1	30.6	27.6	150,760	84.0	27,170	15.1
$30,000 - $39,999	61,820	6.1	34,197	911	32.0	5.3	32.2	10.2	36,680	59.3	3,585	5.8
$40,000 or more	18,260	1.8	45,234	970	26.2	5.9	29.5	5.4	5,530	30.3	320	1.8
Non-Senior	767,140	75.9	16,858	609	49.0	6.8	29.3	43.0	683,495	89.1	310,015	40.4
Less than $20,000	540,495	53.5	12,047	518	54.4	7.0	27.7	52.6	518,985	96.0	283,630	52.5
$20,000 - $29,999	150,735	14.9	24,087	775	39.2	6.8	33.8	25.6	124,825	82.8	22,690	15.1
$30,000 - $39,999	58,370	5.8	34,234	912	32.4	5.3	32.2	9.9	34,370	58.9	3,405	5.8
$40,000 or more	17,525	1.7	45,207	973	26.0	5.9	28.9	5.3	5,300	30.2	305	1.7
Senior	243,815	24.1	15,494	576	46.0	1.4	4.7	86.2	235,400	96.5	76,775	31.5
Less than $20,000	210,825	20.9	14,019	542	47.2	1.2	2.9	94.2	206,940	98.2	72,090	34.2
$20,000 - $29,999	28,805	2.8	23,353	778	40.0	2.3	13.7	38.0	25,925	90.0	4,480	15.6
$30,000 - $39,999	3,450	0.3	33,584	895	32.0	4.1	32.3	14.9	2,310	67.0	185	5.4
$40,000 or more	740	0.1	45,095	966	26.3	8.1	44.6	6.1	220	29.7	20	2.7

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

Includes all non-farm, non-band, non-reserve private households with incomes greater than zero and STIRs less than 100%.

Source: CMHC (census-based housing indicators and data)

TABLE 24

Characteristics of Owner Households in Core Housing Need by Income Brackets, Canada, 2001

	Households in Income Group					Incidence of...			STIR >=30%		STIR >=50%	
	Number	Share	Average income	Average STIR	Average value of dwelling	Aboriginal households	Lone-parent households	Individuals	Households	Incidence	Households	Incidence
	(#)	(%)	($)	(%)	($)	(%)	(%)	(%)	(#)	(%)	(#)	(%)
Total	473,840	100.0	19,343	47.6	145,871	3.2	17.2	40.3	405,915	85.7	186,220	39.3
Non-Senior	324,500	68.5	20,485	50.5	145,053	3.9	21.5	26.4	285,180	87.9	148,285	45.7
Senior	149,335	31.5	16,863	41.3	147,648	1.6	7.9	70.3	120,740	80.9	37,930	25.4
With Mortgage	262,105	55.3	23,063	55.8	143,584	3.5	22.1	25.9	251,625	96.0	145,275	55.4
Non-Senior	216,395	45.7	23,898	55.6	145,475	3.8	24.7	19.3	207,220	95.8	119,110	55.0
Less than $20,000	88,740	18.7	14,123	64.1	97,504	4.3	22.3	34.2	87,385	98.5	64,870	73.1
$20,000 - $29,999	67,785	14.3	24,499	53.5	152,691	3.9	28.7	13.6	65,120	96.1	34,835	51.4
$30,000 - $39,999	42,255	8.9	34,514	47.5	203,157	3.0	25.6	4.3	39,655	93.8	16,080	38.1
$40,000 or more	17,625	3.7	45,351	40.7	220,955	3.0	19.9	1.7	15,065	85.5	3,305	18.8
Senior	45,715	9.6	19,114	56.5	134,633	2.1	9.7	57.3	44,405	97.1	26,175	57.3
Less than $20,000	28,350	6.0	14,827	60.2	109,840	2.0	6.2	81.4	27,945	98.6	18,685	65.9
$20,000 - $29,999	13,890	2.9	23,674	52.1	164,536	2.3	12.8	20.8	13,380	96.3	6,480	46.7
$30,000 - $39,999	2,865	0.6	33,829	45.1	209,260	1.9	24.1	8.0	2,600	90.8	870	30.4
$40,000 or more	605	0.1	45,626	40.9	257,330	0.0	33.1	5.0	485	80.2	135	22.3
Without Mortgage	211,730	44.7	14,738	37.5	148,702	2.8	11.1	58.0	154,290	72.9	40,940	19.3
Non-Senior	108,115	22.8	13,653	40.3	144,209	4.2	14.9	40.8	77,960	72.1	29,190	27.0
Less than $20,000	87,985	18.6	10,133	44.8	130,520	3.5	13.2	47.2	72,550	82.5	28,700	32.6
$20,000 - $29,999	12,815	2.7	23,987	23.2	192,561	7.1	22.1	16.3	4,690	36.6	415	3.2
$30,000 - $39,999	4,950	1.0	34,186	16.2	217,210	6.7	23.2	9.0	625	12.6	60	1.2
$40,000 or more	2,350	0.5	45,709	12.3	239,778	8.7	21.3	1.7	85	3.6	0	0.0
Senior	103,620	21.9	15,870	34.6	153,390	1.3	7.1	76.0	76,330	73.7	11,755	11.3
Less than $20,000	85,220	18.0	13,869	36.7	142,714	1.0	5.2	87.4	68,305	80.2	11,160	13.1
$20,000 - $29,999	15,765	3.3	23,321	26.3	202,144	2.7	13.7	25.1	7,805	49.5	575	3.6
$30,000 - $39,999	2,125	0.4	33,785	15.6	204,414	4.9	27.5	13.9	215	10.1	20	0.9
$40,000 or more	505	0.1	45,606	12.3	218,690	2.0	32.7	5.0	10	2.0	10	2.0

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

Includes all non-farm, non-band, non-reserve private households with incomes greater than zero and STIRs less than 100%.

Source: CMHC (census-based housing indicators and data)

TABLE 25

Aboriginal Households in Canada, by Aboriginal Identity, Location and Tenure, 2001

	All Aboriginal Households				Aboriginal - Living in CMAs				Aboriginal - Living On-reserve			
	Total	Owners	Renters	Band Housing	Total	Owners	Renters	Band Housing	Total	Owners	Renters	Band Housing
Canada												
All Aboriginal Households												
Number	398,400	177,850	175,560	44,990	151,505	61,050	88,960	1,490	73,315	20,855	9,280	43,125
As % of total Canadian households	3.4	2.3	4.5	99.1	2.0	1.3	3.1	96.4	86.4	71.4	76.5	99.2
By Identity												
Status Indian households	214,340	78,425	91,160	44,755	68,435	22,905	44,080	1,495				
Non-status Indian households	64,515	31,025	32,290	1,190	32,635	13,420	19,120	90				
Métis households	140,285	79,280	60,060	945	61,820	29,045	32,755	45				
Inuit households	13,550	4,435	9,080	35	1,865	635	1,240	10				
Newfoundland and Labrador												
All Aboriginal Households												
Number	7,345	5,300	1,920	120	600	320	280	0	250	215	10	25
As % of total provincial households	3.9	3.6	4.7	100.0	0.9	0.7	1.4	0.0	96.2	100.0	66.7	100.0
By Identity												
Status Indian households	1,465	1,100	305	60	160	90	70	0				
Non-status Indian households	2,190	1,570	550	70	150	65	85	0				
Métis households	2,340	1,710	630	10	180	115	70	0				
Inuit households	1,870	1,295	575	0	115	50	65	0				
Prince Edward Island												
All Aboriginal Households												
Number	595	215	235	145					145	25	0	115
As % of total provincial households	1.2	0.6	1.7	100.0					100.0	83.3	0.0	100.0
By Identity												
Status Indian households	360	105	115	145								
Non-status Indian households	180	65	115	0								
Métis households	85	60	20	0								
Inuit households	15	10	10	0								
Nova Scotia												
All Aboriginal Households												
Number	7,440	3,460	2,335	1,645	2,115	985	1,100	35	2,280	415	250	1,615
As % of total provincial households	2.1	1.4	2.3	99.7	1.5	1.1	2.0	100.0	98.7	95.4	98.0	100.0
By Identity												
Status Indian households	4,300	1,580	1,075	1,645	765	330	400	35				
Non-status Indian households	1,820	970	795	55	840	380	450	10				
Métis households	1,490	995	485	10	505	260	245	0				
Inuit households	215	110	105	0	120	50	65	0				
New Brunswick												
All Aboriginal Households												
Number	7,620	4,020	2,275	1,325	470	250	220	0	2,195	730	355	1,105
As % of total provincial households	2.7	1.9	3.2	99.6	1.0	0.8	1.4	0.0	99.5	99.3	98.6	99.5
By Identity												
Status Indian households	4,580	2,030	1,225	1,325	190	90	95	0				
Non-status Indian households	1,475	780	660	25	215	110	110	0				
Métis households	1,875	1,365	510	0	85	55	25	0				
Inuit households	80	35	45	10	0	10	0	0				
Quebec												
All Aboriginal Households												
Number	33,585	14,470	15,045	4,070	13,795	6,225	7,555	15	8,510	2,995	1,465	4,050
As % of total provincial households	1.1	0.8	1.2	97.1	0.7	0.6	0.8	75.0	94.3	99.0	80.1	97.2
By Identity												
Status Indian households	18,775	7,915	6,800	4,060	6,445	3,145	3,280	15				
Non-status Indian households	6,225	3,080	3,105	30	3,975	1,760	2,200	0				
Métis households	7,620	3,935	3,675	10	3,705	1,575	2,135	0				
Inuit households	2,300	210	2,075	15	330	60	255	0				
Ontario												
All Aboriginal Households												
Number	90,780	45,655	39,400	5,725	40,705	18,325	22,270	110	12,725	5,205	1,805	5,710
As % of total provincial households	2.2	1.6	2.9	99.6	1.3	0.9	2.1	95.7	97.1	95.2	94.5	99.5
By Identity												
Status Indian households	50,225	23,160	21,345	5,720	19,495	8,200	11,220	115				
Non-status Indian households	22,385	10,810	11,480	90	13,370	5,915	7,450	0				
Métis households	24,630	15,105	9,495	30	10,660	5,545	5,135	0				
Inuit households	760	295	460	0	500	175	345	0				

Continued on next page

These data, from the Census of Canada, include all private Aboriginal households.

Definitions

An **Aboriginal family household** is any household in which at least one spouse, common-law partner, or lone parent self-identified as Aboriginal, or at least 50 per cent of household members self-identified as Aboriginal. If any member of the family household identified as Indian (Status or Non-Status), Métis, or Inuit, then the household is classified accordingly. An **Aboriginal non-family household** is any household in which at least 50 per cent of household members self-identified as Aboriginal. If any member of the non-family household identified as Indian (Status or Non-Status), Métis, or Inuit, then the household is classified accordingly. There are cases where two or more identity groups are represented in the same household. For example, a household with one Métis and one Inuit spouse will be counted as both a Métis and as an Inuit household. This approach enables each of the Aboriginal identity groups to be fully counted, but it also means that identity subtotals should not be summed as they will add to more than the total of all Aboriginal households.

TABLE 25 (CONTINUED)

Aboriginal Households in Canada, by Aboriginal Identity, Location and Tenure, 2001

	All Aboriginal Households				Aboriginal - Living in CMAs				Aboriginal - Living On-reserve			
	Total	Owners	Renters	Band Housing	Total	Owners	Renters	Band Housing	Total	Owners	Renters	Band Housing
Manitoba												
All Aboriginal Households												
Number	55,035	20,695	24,040	10,300	25,130	9,475	15,540	115	12,625	1,270	1,060	10,285
As % of total provincial households	12.7	7.1	18.6	99.7	9.3	5.4	16.7	100.0	97.8	94.4	84.8	99.7
By Identity												
Status Indian households	29,595	6,395	12,915	10,295	10,250	2,315	7,820	115				
Non-status Indian households	3,920	1,565	2,205	145	2,420	780	1,635	0				
Métis households	26,800	14,755	11,795	250	15,030	7,205	7,815	10				
Inuit households	170	75	90	0	100	45	55	0				
Saskatchewan												
All Aboriginal Households												
Number	43,650	15,300	19,330	9,020	14,525	4,785	9,700	45	10,155	665	760	8,720
As % of total provincial households	11.5	5.7	19.0	99.4	8.8	4.3	17.5	100.0	98.7	95.0	92.7	99.7
By Identity												
Status Indian households	25,690	4,885	11,805	8,995	7,595	1,475	6,080	45				
Non-status Indian households	2,695	1,165	1,320	205	1,190	435	760	0				
Métis households	19,610	10,705	8,600	300	7,085	3,225	3,855	0				
Inuit households	120	55	60	0	80	50	40	0				
Alberta												
All Aboriginal Households												
Number	61,715	27,555	26,725	7,440	28,780	11,675	16,330	780	9,195	1,425	645	7,125
As % of total provincial households	5.6	3.5	8.4	98.9	4.0	2.4	7.3	96.3	95.0	80.5	92.8	98.8
By Identity												
Status Indian households	29,310	9,755	12,155	7,405	11,495	3,655	7,070	775				
Non-status Indian households	7,645	3,510	3,795	335	4,170	1,675	2,435	55				
Métis households	31,365	17,185	13,895	290	15,795	7,315	8,450	35				
Inuit households	610	265	340	0	400	175	220	10				
British Columbia												
All Aboriginal Households												
Number	75,880	35,355	36,115	4,405	25,380	9,010	15,970	390	15,015	7,790	2,910	4,275
As % of total provincial households	4.9	3.5	7.0	98.3	2.7	1.5	4.4	95.1	60.8	50.7	58.6	98.3
By Identity												
Status Indian households	43,715	18,470	20,905	4,345	12,035	3,605	8,040	395				
Non-status Indian households	15,090	7,070	7,830	190	6,305	2,295	3,995	25				
Métis households	22,655	12,380	10,230	45	8,775	3,750	5,020	0				
Inuit households	415	125	290	0	225	15	195	0				
Yukon												
All Aboriginal Households												
Number	2,915	1,200	1,075	640					155	55	15	85
As % of total territorial households	25.6	16.8	30.3	96.2					93.9	91.7	100.0	94.4
By Identity												
Status Indian households	2,320	880	810	625								
Non-status Indian households	565	270	260	35								
Métis households	290	190	100	0								
Inuit households	55	20	30	0								
Northwest Territories												
All Aboriginal Households												
Number	6,170	3,175	2,845	155					70	60	0	15
As % of total territorial households	49.1	47.6	49.7	93.9					93.3	100.0	0.0	100.0
By Identity												
Status Indian households	3,935	2,125	1,665	140								
Non-status Indian households	320	155	155	0								
Métis households	1,475	885	580	0								
Inuit households	1,330	485	835	10								
Nunavut												
All Aboriginal Households												
Number	5,665	1,445	4,220	0								
As % of total territorial households	79.0	83.3	77.6	0.0								
By Identity												
Status Indian households	65	10	50	0								
Non-status Indian households	15	0	10	0								
Métis households	45	10	35	0								
Inuit households	5,610	1,445	4,165	0								

Definitions (continued)

On-reserve is used to describe households in Census Subdivisions (CSDs) identified as Indian Reserves, Indian Settlements, Indian Government Districts, Terres réservées, Nisga'a Village, Nisga'a Land, and Teslin Land, as well as specific northern communities selected by Indian and Northern Affairs Canada (INAC) because they are affiliated with First Nations or Indian Bands (for a list of the specific communities and further definitions, see Statistics Canada 2001 Census Dictionary- Geographic Unit: Census Subdivision). In 2001, Census enumeration was incomplete on 30 reserves with an estimated population of 31,000. The 398,400 Aboriginal households in 2001 does not include the estimated count from these missed reserves.

A **Census Metropolitan Area (CMA)** is an area consisting of one or more adjacent municipalities situated around a major urban core with a population of at least 100,000.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

TABLE 26

Housing Conditions of Aboriginal Households Living Outside Reserves, Canada and All-CMA Total, 2001

	Total # of households	Living in or Able to Access Acceptable Housing		Living in Core Housing Need by Type of Need				
		% of all households	Average income ($)	% of all households	Average income ($) of those in core need	% below affordability standard	% below adequacy standard	% below suitability standard
Canada								
All Aboriginal Households								
Total	297,285	76.2	59,027	23.8	17,411	19.1	6.4	5.7
Owners	148,175	89.8	68,553	10.2	20,544	7.0	4.1	1.8
Renters	149,115	62.7	45,457	37.3	16,562	31.2	8.7	9.6
By Identity								
Status Indian households								
Total	127,535	72.0	56,900	28.0	16,628	23.1	7.0	7.8
Owners	54,945	88.9	67,899	11.1	19,729	7.7	4.4	2.3
Renters	72,590	59.2	44,405	40.8	15,987	34.7	9.0	11.8
Non-status Indian households								
Total	57,340	76.3	60,506	23.7	17,599	20.1	6.5	4.9
Owners	28,640	89.3	69,550	10.7	20,553	7.8	3.9	1.7
Renters	28,695	63.3	47,759	36.7	16,741	32.4	9.1	8.1
Métis households								
Total	128,375	80.8	60,855	19.2	16,994	15.8	5.5	3.7
Owners	74,090	91.1	68,812	8.9	19,585	6.2	3.8	1.3
Renters	54,285	66.7	46,034	33.3	16,045	28.7	7.8	6.9
Inuit households								
Total	13,065	68.1	60,267	31.8	29,539	10.6	12.1	16.8
Owners	4,285	79.8	77,908	20.1	37,254	8.1	8.3	8.2
Renters	8,780	62.5	49,237	37.6	27,518	11.8	14.0	20.8
All-CMA Total								
All Aboriginal Households								
Total	136,300	75.5	61,754	24.5	16,828	21.2	5.4	6.0
Owners	57,135	93.0	76,264	7.0	21,453	5.9	2.0	0.8
Renters	79,145	62.9	46,213	37.2	16,178	32.2	7.8	9.6
By Identity								
Status Indian households								
Total	58,970	70.1	58,790	29.9	16,630	25.4	6.4	8.9
Owners	20,410	92.1	75,196	7.7	20,921	6.7	1.9	1.3
Renters	38,555	58.4	45,012	41.6	16,148	35.4	8.8	13.0
Non-status Indian households								
Total	29,965	75.6	63,711	24.4	17,938	21.3	6.4	5.7
Owners	12,745	92.1	76,848	8.2	21,924	6.7	2.4	1.3
Renters	17,225	63.3	49,259	36.4	17,145	31.8	9.0	9.4
Métis households								
Total	57,745	80.1	63,402	19.9	17,090	17.4	4.5	4.1
Owners	28,055	93.8	76,286	6.3	20,410	5.1	1.7	0.6
Renters	29,685	67.2	46,260	32.8	16,328	28.7	7.0	7.4
Inuit households								
Total	1,730	70.2	67,035	27.7	15,742	24.3	3.5	8.1
Owners	610	90.2	90,248	**	**	**	**	**
Renters	1,120	61.2	42,060	42.9	13,677	37.1	5.4	13.4

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 percent.

Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access acceptable housing are considered to be in core housing need.

Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

Households that live below more than one housing standard are counted in each of the appropriate individual standard subtotals. Counting these households multiple times ensures accurate counts by housing standard; however, housing standard subtotals should not be summed as they will add to more than the total of all households below standards.

For definitions of **Aboriginal households** and **Census Metropolitan Areas** (CMAs), see the definitions provided with Table 25.

** Estimates of households in core housing need are presented for a specific group (example: renters) where there is a total of at least 100 households in need in the group. All estimates, being derived from data provided by the 1 in 5 sample of households that receive the census long questionnaire, are subject to sampling error.

Source: CMHC (census-based housing indicators and data)

TABLE 27

Housing Conditions of Aboriginal Households Living Outside Reserves, Canada, Provinces, Territories and Selected CMAs, 2001

	Total # of Households	Living in or Able to Access Acceptable Housing		Living in Core Housing Need by Type of Need				
		% of all households	Average Income ($)	% of all households	Average Income ($) of those in core need	% below affordability standard	% below adequacy standard	% below suitability standard
Canada								
All Aboriginal Households	297,285	76.2	59,027	23.8	17,411	19.1	6.4	5.7
Owners	148,175	89.8	68,553	10.2	20,544	7.0	4.1	1.8
Renters	149,115	62.7	45,457	37.3	16,562	31.2	8.7	9.6
Newfoundland and Labrador								
All Aboriginal Households	6,650	77.7	51,510	22.3	16,321	13.5	8.4	5.3
Owners	4,930	82.6	53,897	17.4	18,098	7.9	8.7	4.0
Renters	1,720	64.0	42,524	36.6	13,885	28.8	7.6	9.0
Prince Edward Island								
All Aboriginal Households	390	74.4	45,654	24.4	14,037	21.8	9.0	**
Owners	180	91.7	55,785	**	**	**	**	**
Renters	210	59.5	32,587	**	**	**	**	**
Nova Scotia								
All Aboriginal Households	4,620	77.5	52,347	22.5	15,170	20.5	6.2	3.9
Owners	2,795	89.3	57,485	10.9	17,110	8.2	4.5	**
Renters	1,825	59.5	40,555	40.5	14,379	38.6	9.0	8.5
Halifax								
All Aboriginal Households	1,905	72.2	57,167	27.6	16,336	24.9	6.6	3.9
Owners	905	90.6	67,520	**	**	**	**	**
Renters	1,000	55.5	41,759	45.0	15,089	42.5	10.0	8.5
New Brunswick								
All Aboriginal Households	4,755	78.2	48,153	21.9	12,441	18.9	7.3	2.0
Owners	3,060	83.7	52,854	16.0	12,993	12.6	6.9	1.8
Renters	1,700	67.9	37,710	32.1	11,945	30.6	7.9	3.2
Quebec								
All Aboriginal Households	23,410	83.2	52,158	16.8	12,678	14.2	4.4	2.6
Owners	10,960	93.5	61,536	6.4	12,596	5.5	2.6	0.5
Renters	12,455	74.0	41,730	25.9	12,696	21.8	5.9	4.5
Montréal								
All Aboriginal Households	6,615	80.9	57,467	19.0	13,072	17.6	4.6	3.2
Owners	2,580	95.2	75,823	5.0	13,383	4.8	1.4	0.0
Renters	4,035	71.9	41,913	28.1	13,037	25.5	6.3	4.8
Ontario								
All Aboriginal Households	72,315	79.4	63,754	20.6	18,124	17.9	5.3	3.7
Owners	38,820	92.0	72,967	8.0	21,202	6.5	2.6	1.1
Renters	33,495	64.8	48,617	35.2	17,310	31.0	8.5	6.8
Ottawa-Gatineau								
All Aboriginal Households	7,505	81.5	70,444	18.3	20,817	15.3	4.1	3.5
Owners	3,745	92.3	83,874	7.7	26,356	5.7	1.3	1.3
Renters	3,760	71.3	52,938	28.9	19,330	24.6	6.8	5.6
Ottawa								
All Aboriginal Households	4,975	79.6	76,104	20.3	23,465	16.3	4.3	4.3
Owners	2,365	91.5	91,189	8.7	31,809	6.8	0.8	1.7
Renters	2,610	68.8	57,949	31.0	21,375	25.5	7.9	6.9
Toronto								
All Aboriginal Households	10,695	77.4	79,452	22.6	23,434	18.0	5.3	6.0
Owners	4,490	90.6	98,500	9.5	28,797	7.9	2.0	1.6
Renters	6,210	68.0	60,989	32.0	22,288	25.4	7.9	9.3

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

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TABLE 27 (CONTINUED)

Housing Conditions of Aboriginal Households Living Outside Reserves, Canada, Provinces, Territories and Selected CMAs, 2001

	Total # of households	Living in or Able to Access Acceptable Housing		Living in Core Housing Need by Type of Need				
		% of all households	Average income ($)	% of all households	Average income ($) of those in core need	% below affordability standard	% below adequacy standard	% below suitability standard
Hamilton								
All Aboriginal Households	3,485	75.5	62,351	24.5	18,414	21.2	6.3	4.7
Owners	1,540	92.5	76,285	7.1	21,686	6.8	1.6	1.3
Renters	1,940	62.1	45,778	38.1	17,916	32.7	9.8	7.7
St. Catharines-Niagara								
All Aboriginal Households	2,420	81.6	59,267	18.6	17,177	18.2	3.7	3.1
Owners	1,370	92.7	68,062	7.3	19,786	7.7	2.9	0.7
Renters	1,055	67.3	43,480	32.7	16,413	31.8	3.8	7.1
London								
All Aboriginal Households	2,715	71.1	58,964	28.7	15,090	26.3	6.3	4.8
Owners	940	94.1	72,147	**	**	**	**	**
Renters	1,770	59.6	47,748	40.4	14,662	37.0	8.5	7.6
Greater Sudbury								
All Aboriginal Households	3,370	82.9	61,579	17.1	14,551	16.0	5.6	2.1
Owners	1,765	96.0	73,345	4.0	18,870	3.7	1.1	0.0
Renters	1,605	68.5	43,368	31.8	13,969	29.3	10.0	2.8
Thunder Bay								
All Aboriginal Households	3,200	75.0	55,381	25.3	15,692	22.0	4.7	5.0
Owners	1,490	95.0	65,751	5.7	17,754	5.0	2.0	0.7
Renters	1,705	57.2	40,550	42.2	15,456	37.0	6.7	7.9
Manitoba								
All Aboriginal Households	38,955	74.1	52,242	25.8	15,114	19.3	7.5	7.2
Owners	18,165	90.0	64,014	10.0	18,725	5.7	5.0	1.6
Renters	20,785	60.3	36,876	39.7	14,322	31.2	9.7	12.0
Winnipeg								
All Aboriginal Households	23,140	72.8	51,880	27.2	14,634	21.8	5.8	7.7
Owners	9,135	93.2	67,499	6.9	18,422	5.0	2.3	0.8
Renters	14,000	59.6	35,946	40.4	14,216	32.7	8.0	12.1
Saskatchewan								
All Aboriginal Households	29,605	71.3	51,772	28.7	14,811	23.8	7.4	8.7
Owners	13,315	88.8	62,995	11.2	17,091	7.3	5.2	2.3
Renters	16,290	57.0	37,478	43.0	14,327	37.3	9.2	14.0
Regina								
All Aboriginal Households	5,700	67.6	51,529	32.4	15,045	28.0	7.5	10.4
Owners	1,965	93.1	68,451	6.9	15,254	5.9	2.0	1.8
Renters	3,735	54.2	36,197	45.9	15,029	39.6	10.7	14.7
Saskatoon								
All Aboriginal Households	7,200	69.0	51,671	31.0	14,148	29.4	5.3	10.1
Owners	2,600	92.1	66,878	7.5	15,829	6.7	1.9	0.6
Renters	4,605	55.7	37,515	44.3	13,985	42.1	7.1	15.2
Alberta								
All Aboriginal Households	48,125	80.2	63,582	19.8	17,020	16.9	4.9	4.2
Owners	24,275	91.3	72,925	8.7	19,056	6.4	3.6	1.4
Renters	23,850	68.9	51,000	31.1	16,440	27.5	6.3	7.2
Calgary								
All Aboriginal Households	9,445	79.9	68,403	20.1	20,443	18.3	3.7	3.3
Owners	4,405	92.5	81,461	7.5	24,611	6.2	1.9	0.2
Renters	5,040	68.9	53,079	31.2	19,564	28.5	5.1	5.7
Edmonton								
All Aboriginal Households	16,725	78.1	62,097	21.9	15,571	19.1	4.7	5.3
Owners	6,815	94.2	76,599	5.9	19,197	5.5	1.6	0.6
Renters	9,905	67.0	48,103	33.0	15,129	28.5	6.7	8.4

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TABLE 27 (CONTINUED)

Housing Conditions of Aboriginal Households Living Outside Reserves, Canada, Provinces, Territories and Selected CMAs, 2001

	Total # of households	Living in or Able to Access Acceptable Housing		Living in Core Housing Need by Type of Need				
		% of all households	Average income ($)	% of all households	Average income ($) of those in core need	% below affordability standard	% below adequacy standard	% below suitability standard
British Columbia								
All Aboriginal Households	55,025	71.5	61,498	28.5	17,662	25.0	6.7	6.1
Owners	26,115	88.8	70,110	11.1	21,743	8.4	4.0	1.6
Renters	28,910	55.8	49,116	44.2	16,733	40.0	9.2	10.1
Vancouver								
All Aboriginal Households	16,645	68.6	65,805	31.4	18,066	27.3	7.2	8.8
Owners	5,560	91.9	81,274	8.3	25,598	6.8	2.0	0.8
Renters	11,080	57.0	53,264	43.1	17,343	37.5	9.7	12.7
Victoria								
All Aboriginal Households	3,360	72.8	60,297	27.2	17,388	25.0	4.6	5.7
Owners	1,355	93.4	73,222	6.6	19,661	5.9	2.2	0.7
Renters	2,005	59.1	46,490	41.1	17,128	37.7	5.7	8.2
Nunavut								
All Aboriginal Households	5,580	55.6	58,101	44.5	36,529	8.0	18.6	27.7
Owners	1,425	66.0	88,644	33.7	48,363	12.3	10.9	17.2
Renters	4,160	51.9	44,795	48.1	33,672	6.3	21.0	31.0
Northwest Territories								
All Aboriginal Households	5,770	74.6	69,281	25.3	26,337	10.7	10.5	10.5
Owners	3,030	79.4	82,582	20.5	27,811	8.7	9.1	7.3
Renters	2,740	69.3	52,609	30.5	25,242	12.4	11.5	13.9
Yukon								
All Aboriginal Households	2,095	74.7	61,868	25.3	21,001	17.4	8.1	7.6
Owners	1,120	85.3	67,770	15.2	24,259	6.3	6.7	4.0
Renters	980	63.3	52,582	37.2	19,486	29.6	8.7	11.2

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These data, from the Census of Canada, apply to all non-farm, non-band, off-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 percent.

Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access acceptable housing are considered to be in core housing need.

Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

Households that live below more than one housing standard are counted in each of the appropriate individual standard subtotals. Counting these households multiple times ensures accurate counts by housing standard; however, housing standard subtotals should not be summed as they will add to more than the total of all households below standards.

For definitions of **Aboriginal households** and **Census Metropolitan Areas** (CMAs), see the definitions provided with Table 25.

** Estimates of households in core housing need are provided for all jurisdictions where there are a total of at least 500 Aboriginal households in housing need. Estimates of households in core housing need are presented for a specific group (example: renters) where there is a total of at least 100 households in need in the group. This rule is relaxed for Prince Edward Island where summary estimates are provided for a total of 105 Aboriginal households in core housing need. All estimates, being derived from data provided by the 1 in 5 sample of households that receive the Census long questionnaire, are subject to sampling error.

Source: CMHC (Census-based housing indicators and data)

TABLE 28

Housing Conditions of Aboriginal Households Living On-reserve, 2001

	Total # of households	Living in or Able to Access Acceptable and Suitable Housing		Living below Adequacy and/or Suitability Standards and Unable to Access Acceptable Housing				
		% of all households	Average Income ($)	Total % below Standards	Average Income ($) of those below standards	% below suitability	% below adequacy	% below both
Canada								
Total	73,265	72.3	38,196	27.7	16,997	5.3	17.4	5.0
Owners	20,830	77.5	41,714	22.5	17,429	2.9	16.4	3.1
Renters	9,275	79.6	36,218	20.4	18,069	5.7	11.6	3.2
Band Housing	43,100	68.2	36,719	31.8	16,698	6.4	19.1	6.4
Newfoundland and Labrador								
Total	250	90.0	49,191	10.0	21,543	**	**	**
Owners	215	88.4	49,451	**	**	**	**	**
Renters	**	**	**	**	**	**	**	**
Band Housing	**	**	**	**	**	**	**	**
Prince Edward Island								
Total	145	72.4	39,675	27.6	15,295	**	24.1	**
Owners	**	**	**	**	**	**	**	**
Renters	**	**	**	**	**	**	**	**
Band Housing	110	72.7	32,982	**	**	**	**	**
Nova Scotia								
Total	2,270	68.5	30,475	31.7	14,443	4.8	22.9	4.2
Owners	410	70.7	34,600	30.5	13,970	**	24.4	**
Renters	250	64.0	14,620	**	**	**	**	**
Band Housing	1,610	68.6	31,690	31.7	14,849	4.3	23.3	4.0
New Brunswick								
Total	2,185	69.1	28,459	31.1	14,233	3.9	23.8	3.2
Owners	730	70.5	32,300	29.5	14,684	**	26.0	**
Renters	350	68.6	18,032	32.9	14,001	7.1	22.9	**
Band Housing	1,105	67.9	29,311	32.1	14,035	4.1	23.1	4.5
Quebec								
Total	8,510	87.3	47,132	12.8	20,445	2.8	8.3	1.7
Owners	2,995	86.1	47,233	13.9	19,603	1.7	10.2	1.8
Renters	1,465	89.1	46,892	11.3	20,084	2.4	7.5	**
Band Housing	4,050	87.4	47,142	12.6	21,238	3.7	7.2	1.7
Ontario								
Total	12,715	73.9	38,692	26.1	19,893	5.0	16.9	4.1
Owners	5,200	77.7	39,246	22.3	19,327	3.4	16.3	2.7
Renters	1,810	80.1	34,091	19.6	19,592	5.5	11.6	2.8
Band Housing	5,705	68.4	39,828	31.6	20,318	6.4	19.2	6.0
Manitoba								
Total	12,620	63.1	36,947	36.9	17,629	7.7	20.6	8.6
Owners	1,275	65.5	43,840	34.5	17,095	5.9	20.0	8.6
Renters	1,060	73.6	39,889	25.9	18,532	8.5	12.7	5.2
Band Housing	10,285	61.6	35,691	38.4	17,624	8.0	21.5	8.9
Saskatchewan								
Total	10,140	63.6	33,425	36.4	15,961	8.5	19.3	8.6
Owners	660	64.4	38,875	35.6	15,356	6.8	19.7	9.8
Renters	755	77.5	35,610	23.2	17,636	9.3	9.9	4.0
Band Housing	8,710	62.3	32,650	37.7	15,912	8.6	20.1	9.0
Alberta								
Total	9,200	69.9	37,551	30.0	13,743	4.6	19.8	5.7
Owners	1,425	68.1	43,878	31.6	14,659	2.8	21.8	6.7
Renters	640	78.9	38,860	21.1	15,241	5.5	12.5	3.9
Band Housing	7,125	69.5	36,127	30.5	13,458	4.8	20.1	5.5
British Columbia								
Total	15,000	78.3	37,996	21.7	16,910	3.5	15.7	2.5
Owners	7,785	79.6	41,368	20.4	17,084	2.4	16.0	2.1
Renters	2,905	80.7	33,373	19.3	18,794	4.8	11.5	3.3
Band Housing	4,275	74.5	34,719	25.4	15,631	4.7	17.8	2.9

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TABLE 28 (CONTINUED)

Housing Conditions of Aboriginal Households Living On-reserve, 2001

	Total # of households	Living in or Able to Access Acceptable and Suitable Housing		Living below Adequacy and/or Suitability Standards and Unable to Access Acceptable Housing				
		% of all households	Average Income ($)	Total % below Standards	Average Income ($) of those below standards	% below suitability	% below adequacy	% below both
Yukon								
Total	155	64.5	34,637	32.3	23,157	**	22.6	**
Owners	55	72.7	40,772	**	**	**	**	**
Renters	**	**	**	**	**	**	**	**
Band Housing	85	70.6	31,549	**	**	**	**	**
Northwest Territories								
Total	75	80.0	47,652	20.0	25,075	**	13.3	**
Owners	55	81.8	51,752	**	**	**	**	**
Renters	**	**	**	**	**	**	**	**
Band Housing	**	**	**	**	**	**	**	**
Nunavut								
Total	0							
Owners	0							
Renters	0							
Band Housing	0							

The *Canadian Housing Observer 2005* presents revised estimates of core housing need. The core housing need statistics in this year's edition of the *Canadian Housing Observer* replace core housing need statistics in previous editions. See the chapter on "Housing Affordability" for a detailed explanation.

These data, from the Census of Canada, apply to all private Aboriginal households living on-reserve and reporting positive incomes.

On-reserve is used to describe households in Census Subdivisions (CSDs) identified as Indian Reserves, Indian Settlements, Indian Government Districts, Terres réservées, Nisga'a Village, Nisga'a Land, and Teslin Land, as well as specific northern communities selected by Indian and Northern Affairs Canada (INAC) because they are affiliated with First Nations or Indian Bands (for a list of the specific communities and further definitions, see Statistics Canada 2001 Census Dictionary- Geographic Unit: Census Subdivision). In 2001, Census enumeration was incomplete on 30 reserves with an estimated population of 31,000. The 73,265 Aboriginal households living on reserve in 2001 represented in this table does not include the estimated count from these missed reserves.

An **Aboriginal family household** is any household in which at least one spouse, common-law partner, or lone parent self-identified as Aboriginal, or at least 50 per cent of household members self-identified as Aboriginal. If any member of the family household identified as Indian (Status or Non-Status), Métis, or Inuit, then the household is classified accordingly. An **Aboriginal non-family household** is any household in which at least 50 per cent of household members self-identified as Aboriginal. If any member of the non-family household identified as Indian (Status or Non-Status), Metis, or Inuit, then the household is classified accordingly. There are cases where two or more identity groups are represented in the same household. For example, a household with one Metis and one Inuit spouse will be counted as both a Metis and as an Inuit household. This approach enables each of the Aboriginal identity groups to be fully counted, but it also means that identity subtotals should not be summed as they will add to more than the total of Aboriginal households.

Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household.

** Numbers of Aboriginal households are presented in all cases where counts exceed at least 25. Estimates of households living below housing standards and unable to access acceptable housing are presented for a specific group (example: renters) where there is a total of at least 100 households in the group. This rule is relaxed for Newfoundland, Prince Edward Island, the Yukon Territory and the Northwest Territories, where summary estimates are provided for each of these jurisdictions. All estimates, being derived from data provided by the 1 in 5 sample of households that receive the census long questionnaire, are subject to sampling error.

Source: CMHC (Census-based housing indicators and data)

Visit CMHC's website for easy access to timely, comprehensive data on Canadian housing

The analysis provided in the *Canadian Housing Observer 2005* is backed by a series of housing data tables that bring a broad range of statistical information together to provide a comprehensive overview of Canadian housing conditions.

Information covering Canada's provinces, territories and major metropolitan housing markets is available on a variety of topics of interest, including the housing stock, demographic and socio-economic influences on housing demand, current housing market developments, housing finance, housing affordability and core housing need.

Visit CMHC's home page at www.cmhc.ca and follow the link to the *Canadian Housing Observer 2005*.